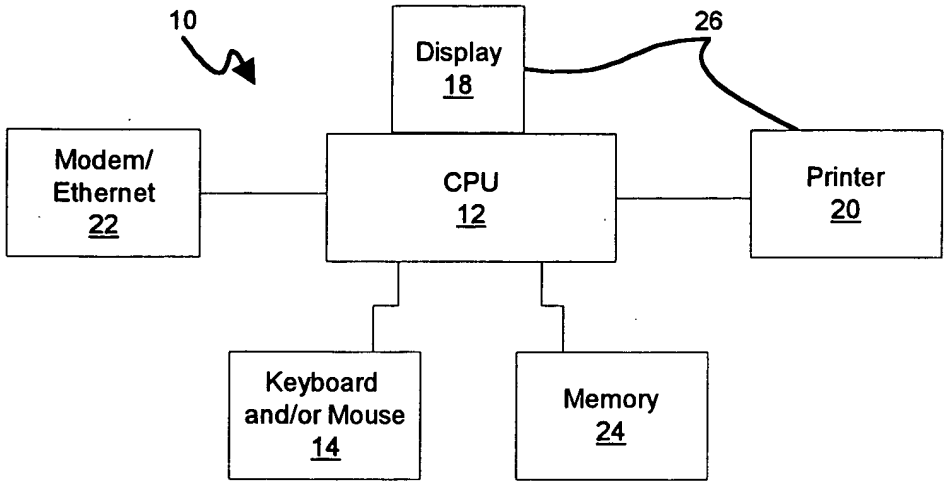

10
Display
18
26
Modem/
Ethernet
22
CPU
12
Printer
20
Keyboard
and/or Mouse
14
Memory
24

FIGURE 1

SIMPLIFIED PROCESS FOR CYPHER

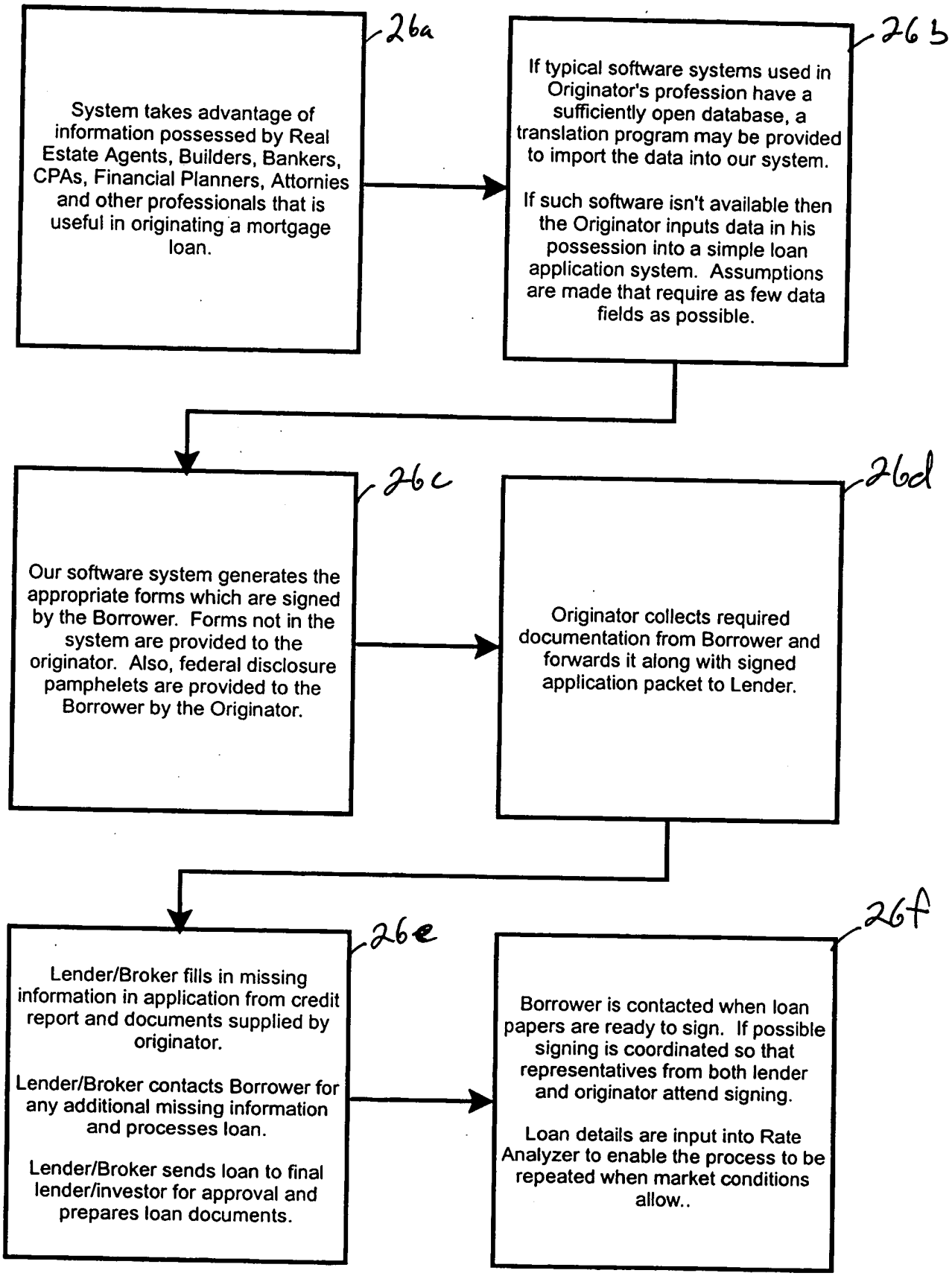


Figure 2

ORIGINATION SYSTEMS AND PROCEDURES

Broker/Lender must begin by selecting the appropriate type of Originator from the list below:

ORIGINATOR "RE"
Real Estate Brokers/Agents
Go To Page 2

ORIGINATOR "B"
Home Builders, FSBOs, etc.
Go To Page 6

ORIGINATOR "FP"
CPAs, Financial Planners, Broker/Dealers, Stock Brokers, Insurance Brokers/Agents, Attorneys or other financial professionals. Collectively ORIGINATOR is a financial professional.
Go To Page 14

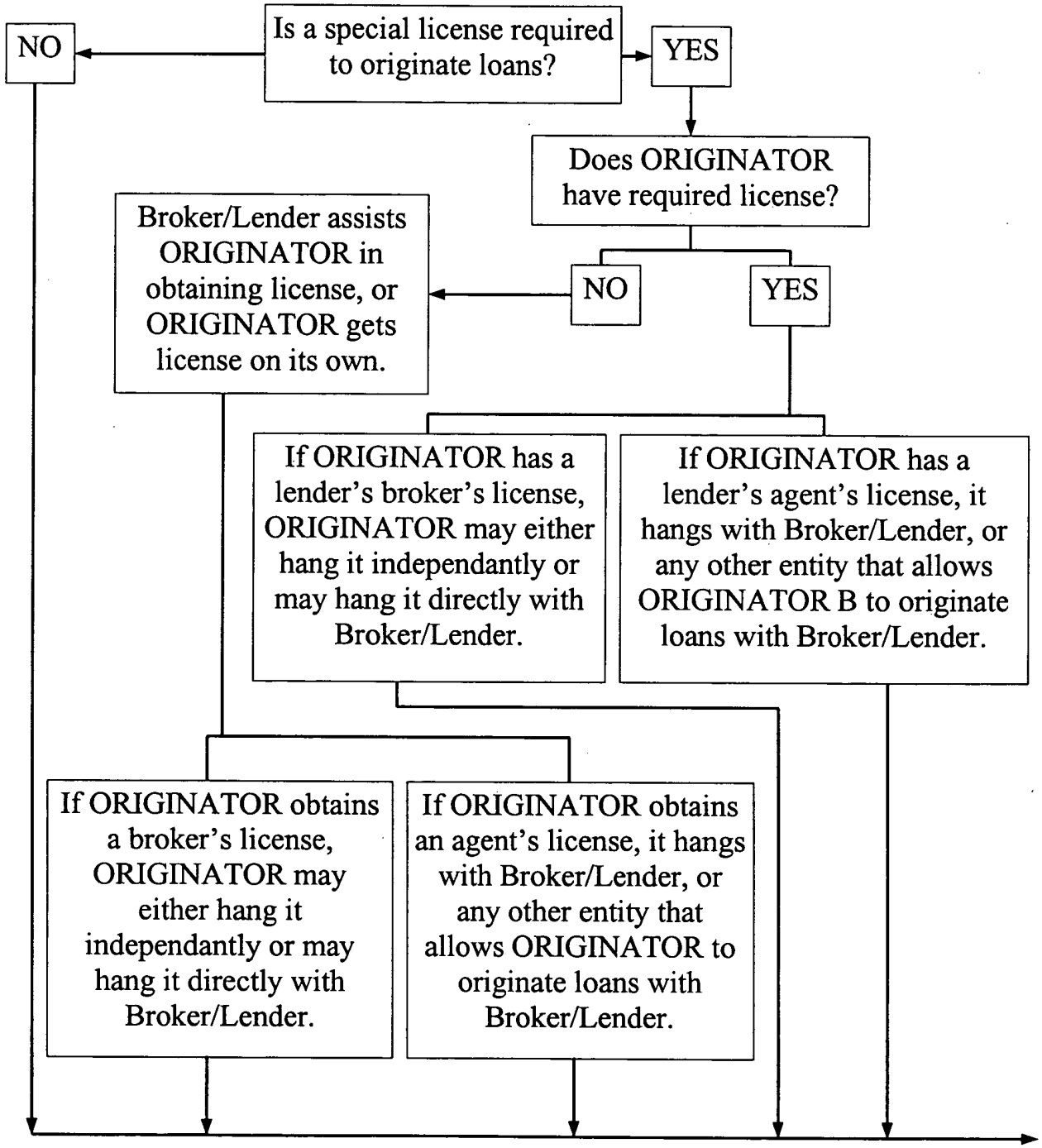
ORIGINATOR "FI"
Financial Istitutions such as Banks, Savings and Loans, Thrifts, Credit Unions, etc.
Go To Page 18

ORIGINATOR "R"
Relocation Company
Go To Page 22

ORIGINATOR "C"
Consumer is Originator
Go To Page 26

Figure 3

STEP #2 - LICENSING - FOR ORIGINATOR "RE"



Continue with Step #3, Page 3

Figure 3

STEP #3 - PRELIMINARY SETUP - FOR ORIGINATOR "RE"

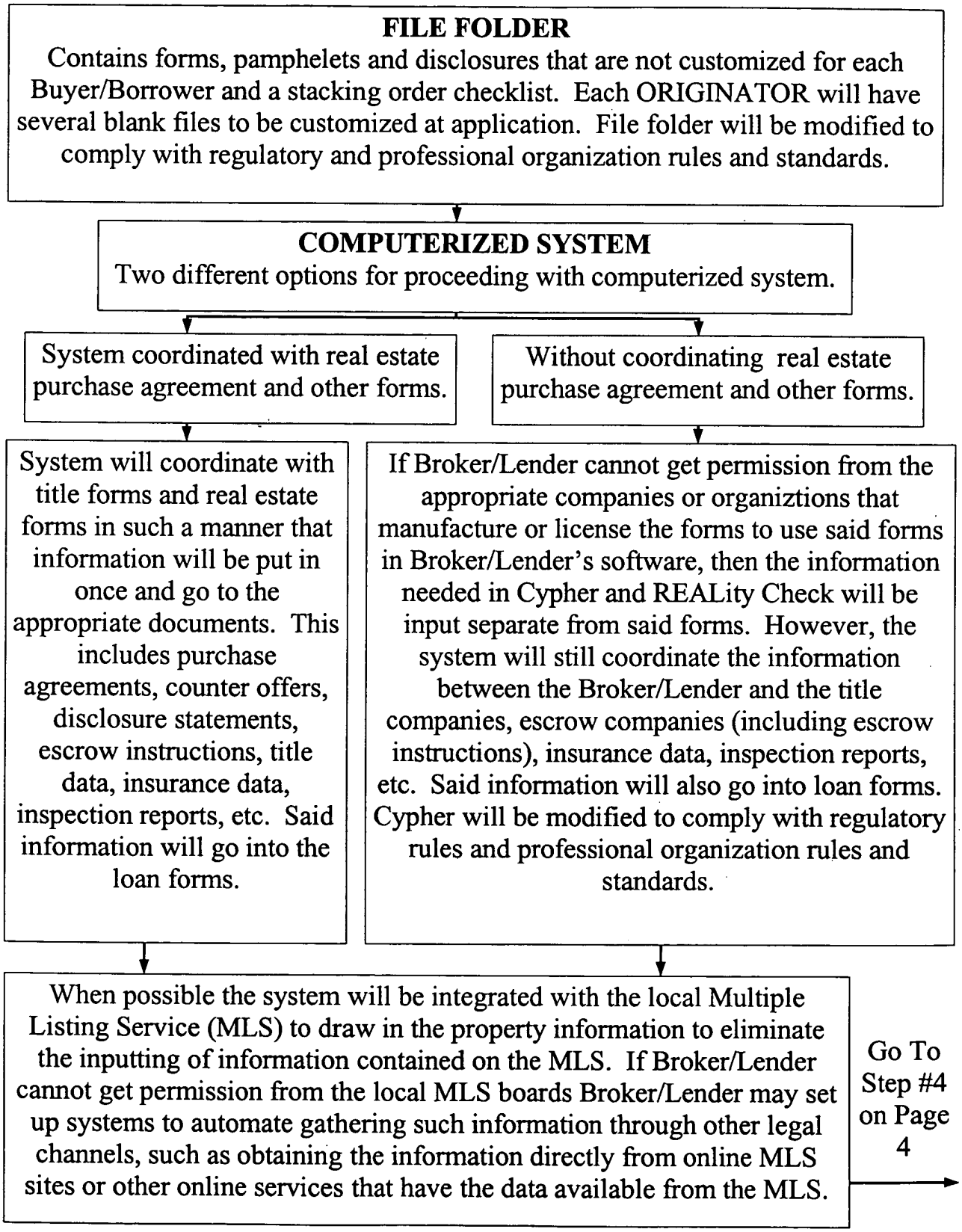
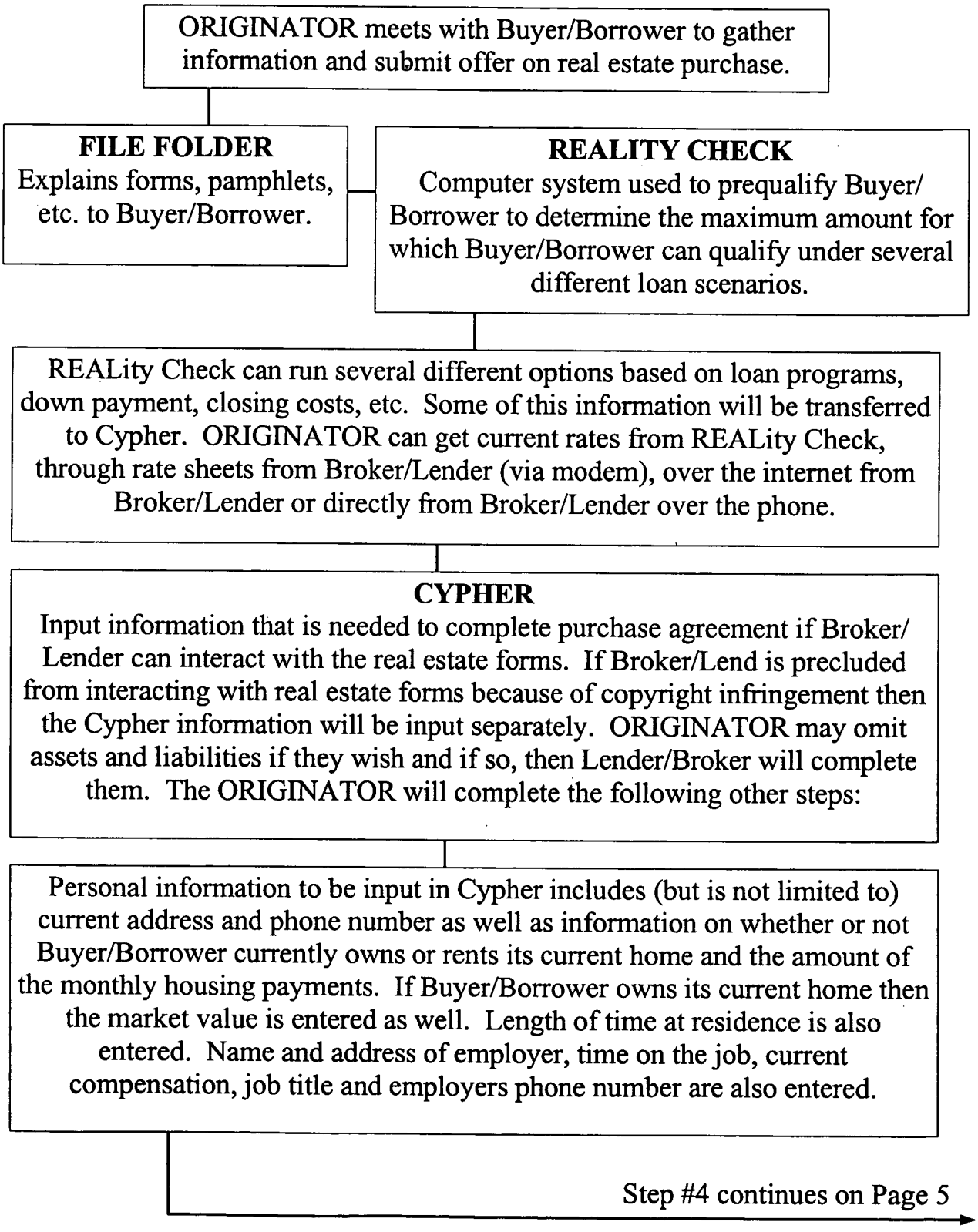


Figure 3

STEP #4 - INFORMATION AND INTERVIEW - FOR ORIGINATOR "RE"



Step #4 continues on Page 5

Figure 3

STEP #4 (CONT) - INFORMATION AND INTERVIEW
FOR ORIGINATOR "RE"

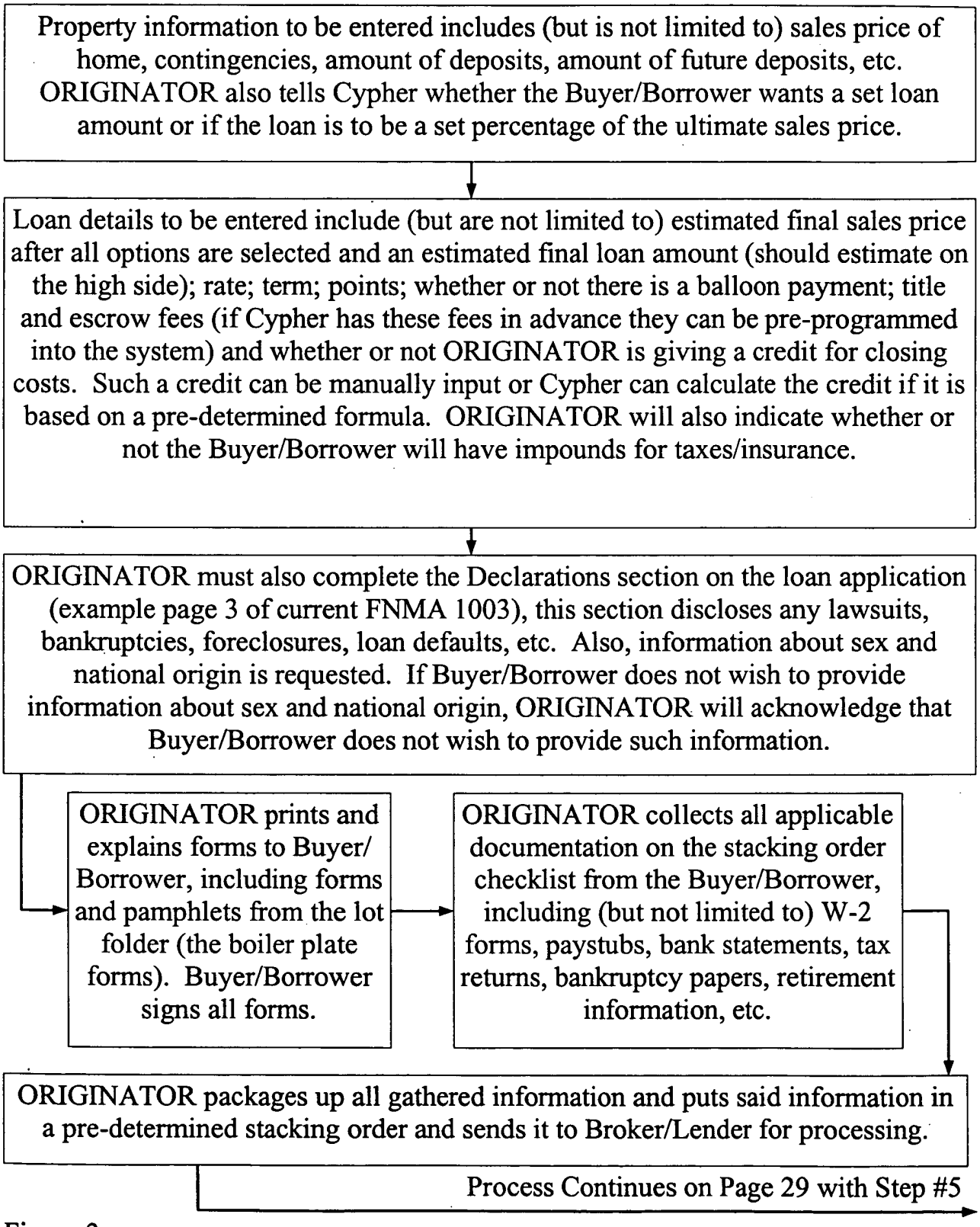


Figure 3

STEP #2 - LICENSING - FOR ORIGINATOR "B"

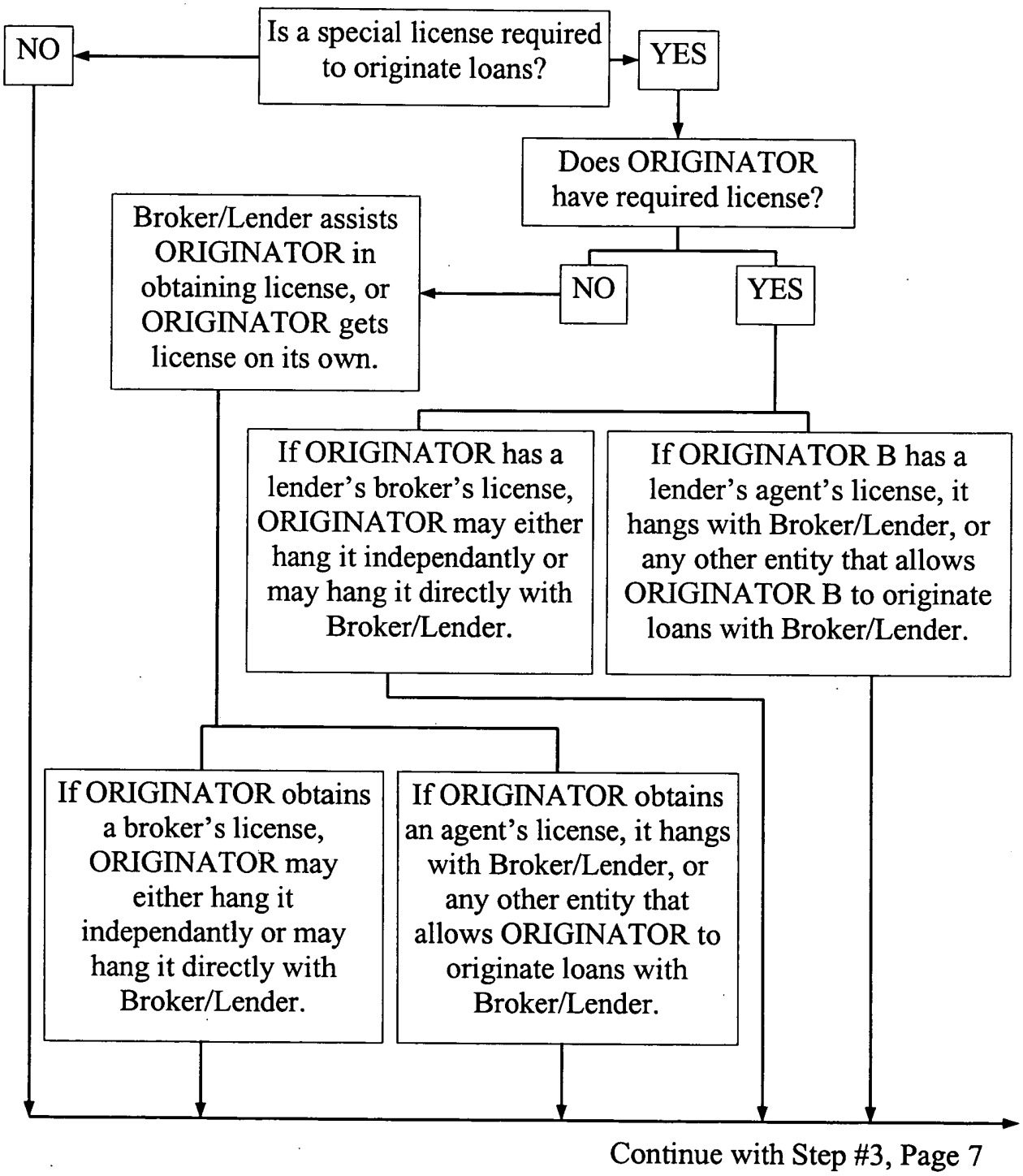


Figure 3

STEP #3 - PRELIMINARY SETUP - FOR ORIGINATOR "B"

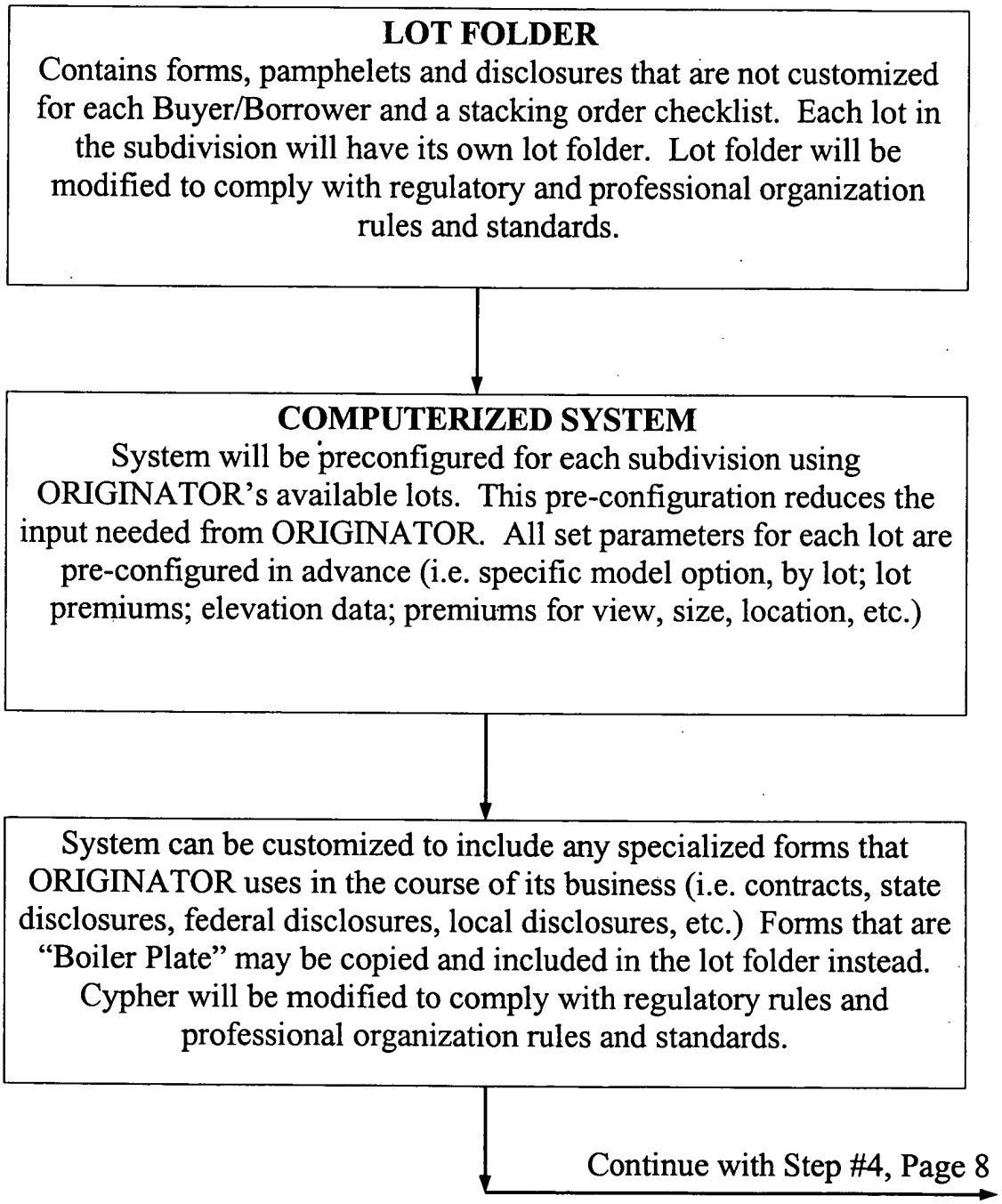
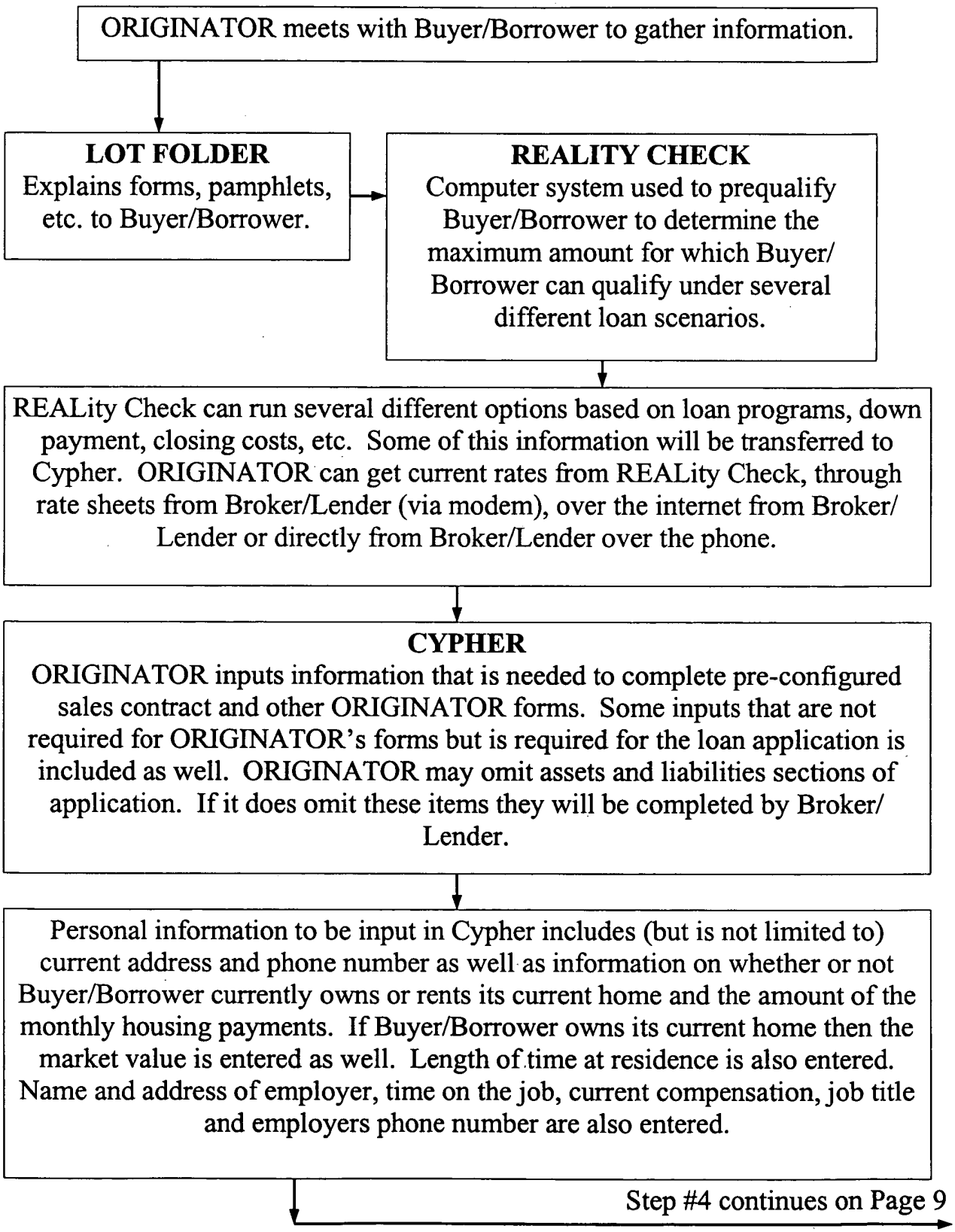


Figure 3

STEP #4 - INFORMATION AND INTERVIEW - FOR ORIGINATOR "B"



Step #4 continues on Page 9

Figure 3

STEP #4 (CONT) - INFORMATION AND INTERVIEW
FOR ORIGINATOR "B"

Property information to be entered includes (but is not limited to) sales price of new home, date of price list being used, prices of any options and upgrades, amount of deposits, amount of future deposits, etc. ORIGINATOR also tells Cypher whether the Buyer/Borrower wants a set loan amount or if the loan is to be a set percentage of the ultimate sales price.

Loan details to be entered include (but are not limited to) estimated final sales price after all options are selected and an estimated final loan amount (should estimate on the high side); rate; term; points; whether or not there is a balloon payment; title and escrow fees (if Cypher has these fees in advance they can be pre-programmed into the system) and whether or not ORIGINATOR is giving a credit for closing costs. Such a credit can be manually input or Cypher can calculate the credit if it is based on a pre-determined formula. ORIGINATOR will also indicate whether or not the Buyer/Borrower will have impounds for taxes/insurance.

ORIGINATOR must also complete the Declarations section on the loan application (example page 3 of current FNMA 1003), this section discloses any lawsuits, bankruptcies, foreclosures, loan defaults, etc. Also, information about sex and national origin is requested. If Buyer/Borrower does not wish to provide information about sex and national origin, ORIGINATOR will acknowledge that Buyer/Borrower does not wish to provide such information.

ORIGINATOR prints and explains forms to Buyer/ Borrower, including forms and pamphlets from the lot folder (the boiler plate forms). Buyer/ Borrower signs all forms.

ORIGINATOR collects all applicable documentation on the stacking order checklist from the Buyer/Borrower, including (but not limited to) W-2 forms, paystubs, bank statements, tax returns, bankruptcy papers, retirement information, etc.

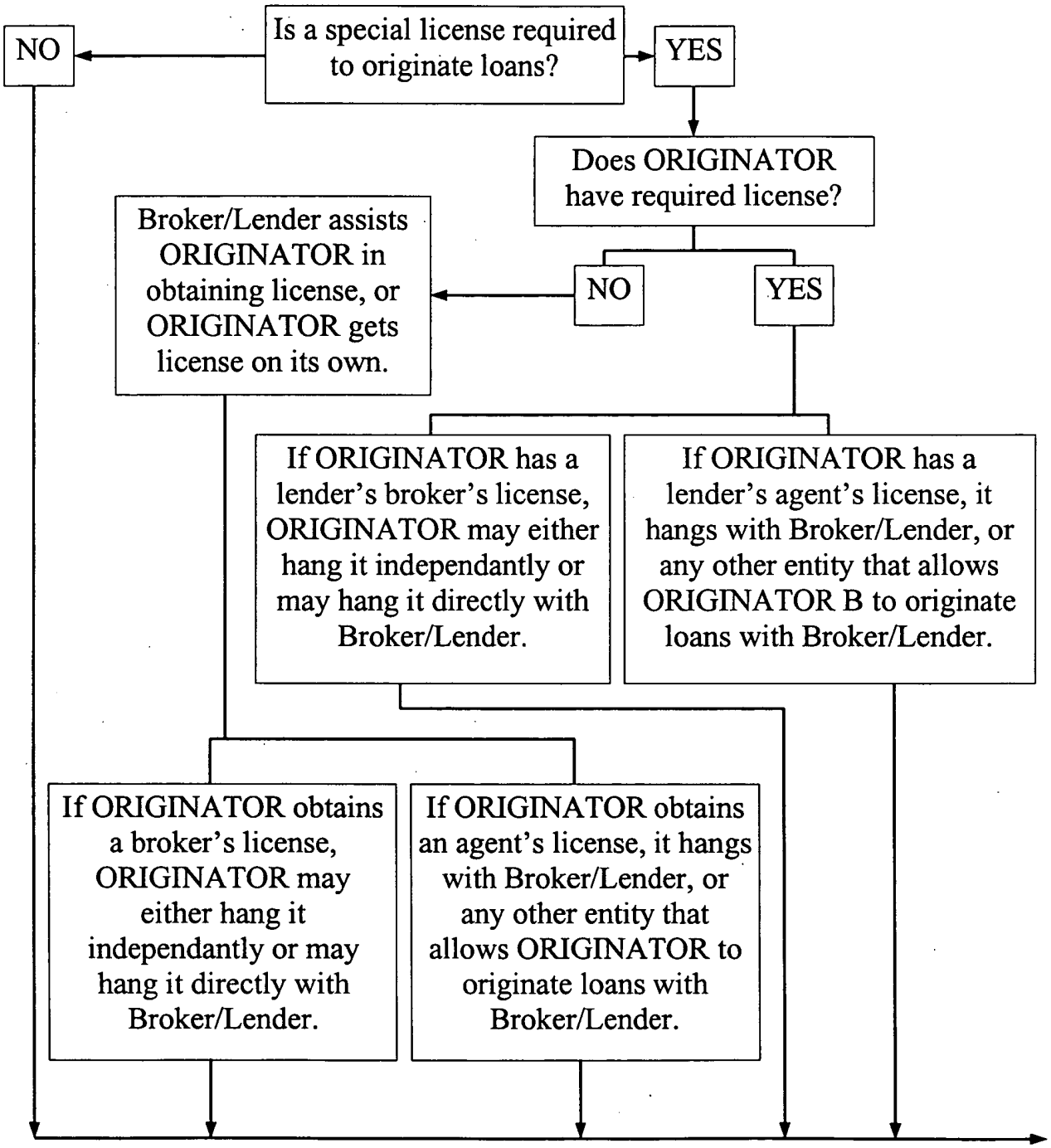
ORIGINATOR packages up all gathered information and puts said information in a pre-determined stacking order and sends it to Broker/Lender for processing.

Continue with Step #5, Page 29

Figure 3

6,660,948 - 09/09/2003

STEP #2 - LICENSING - FOR ORIGINATOR "B"



Continue with Step #3, Page 11

Figure 3

STEP #3 - PRELIMINARY SETUP - FOR ORIGINATOR "B"

LOT FOLDER - Contains forms, pamphelets and disclosures that are not customized for each Buyer/Borrower and a stacking order checklist. Each lot in the subdivision will have its own lot folder. Lot folder will be modified to comply with regulatory and professional organization rules and standards.

↓

COMPUTERIZED SYSTEM - System will be preconfigured for each subdivision using ORIGINATOR's available lots. This pre-configuration reduces the input needed from ORIGINATOR. All set parameters for each lot are pre-configured in advance (i.e. specific model option, by lot; lot premiums; elevation data; premiums for view, size, location, etc.)

↓

System can be customized to include any specialized forms that ORIGINATOR uses in the course of its business (i.e. contracts, state disclosures, federal disclosures, local disclosures, etc.) Forms that are "Boiler Plate" may be copied and included in the lot folder instead. Cypher will be modified to comply with regulatory rules and professional organization rules and standards.

↓

STEP #4 - ORIGINATOR meets with Buyer/Borrower to gather information.

↓

LOT FOLDER - Explains forms, pamphlets, etc. to Buyer/Borrower.

↓

REALITY CHECK

Computer system used to prequalify Buyer/Borrower to determine the maximum amount for which Buyer/Borrower can qualify under several different loan scenarios. REALity Check can run several different options based on loan programs, down payment, closing costs, etc. Some of this information will be transferred to Cypher. ORIGINATOR can get current rates from REALity Check, through rate sheets from Broker/Lender (via modem), over the internet from Broker/Lender or directly from Broker/Lender over the phone.

↓

CYPHER - ORIGINATOR inputs information that is needed to complete pre-configured sales contract and other ORIGINATOR forms. Some inputs that are not required for ORIGINATOR's forms but is required for the loan application is included as well. ORIGINATOR may omit assets and liabilities sections of application. If it does omit these items they will be completed by Broker/Lender.

Step #4 Continues on Page 12

Figure 3

STEP #4 - CONTINUED

Personal information to be input in Cypher includes (but is not limited to) current address and phone number as well as information on whether or not Buyer/ Borrower currently owns or rents its current home and the amount of the monthly housing payments. If Buyer/Borrower owns its current home then the market value is entered as well. Length of time at residence is also entered. Name and address of employer, time on the job, current compensation, job title and employers phone number are also entered.

↓

Property information to be entered includes (but is not limited to) sales price of new home, date of price list being used, prices of any options and upgrades, amount of deposits, amount of future deposits, etc. ORIGINATOR also tells Cypher whether the Buyer/Borrower wants a set loan amount or if the loan is to be a set percentage of the ultimate sales price.

↓

Loan details to be entered include (but are not limited to) estimated final sales price after all options are selected and an estimated final loan amount (should estimate on the high side); rate; term; points; whether or not there is a balloon payment; title and escrow fees (if Cypher has these fees in advance they can be pre-programmed into the system) and whether or not ORIGINATOR is giving a credit for closing costs. Such a credit can be manually input or Cypher can calculate the credit if it is based on a pre-determined formula. ORIGINATOR will also indicate whether or not the Buyer/Borrower will have impounds for taxes/insurance.

↓

ORIGINATOR must also complete the Declarations section on the loan application (example page 3 of current FNMA 1003), this section discloses any lawsuits, bankruptcies, foreclosures, loan defaults, etc. Also, information about sex and national origin is requested. If Buyer/Borrower does not wish to provide information about sex and national origin, ORIGINATOR will acknowledge that Buyer/Borrower does not wish to provide such information.

Step #4 Continues on Page 13

Figure 3

STEP #4 - CONTINUED

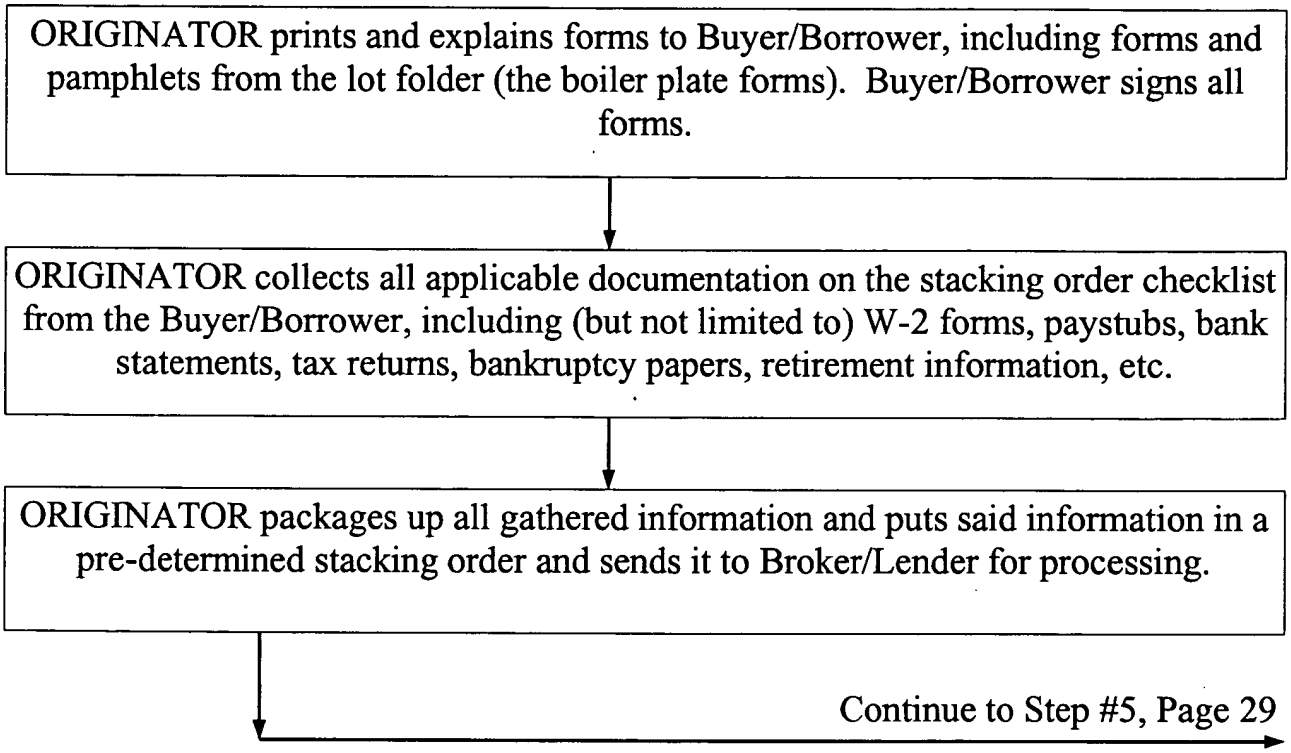
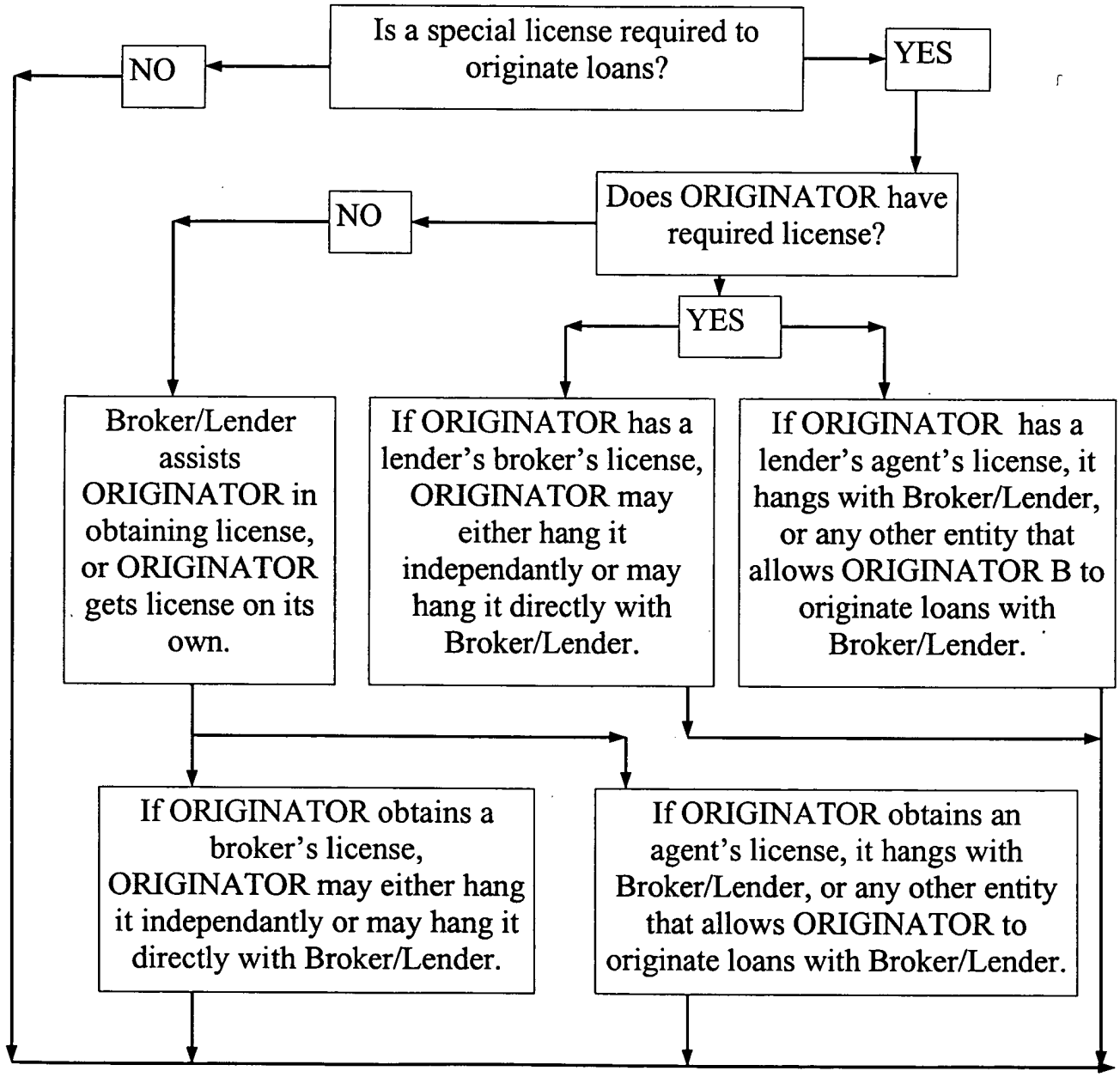


Figure 3

STEP #2 - LICENSING FOR "FP"

ORIGINATOR "FP"

CPAs, Financial Planners, Broker/Dealers, Stock Brokers, Insurance Brokers/ Agents, Attorneys or other financial professionals. Collectively ORIGINATOR is a financial professional.



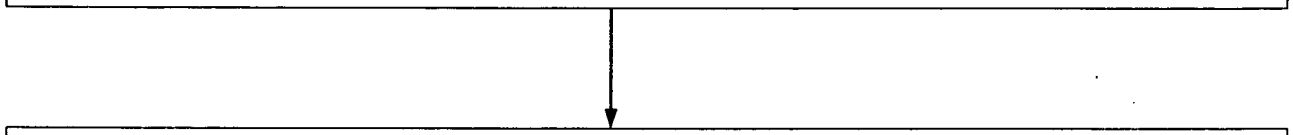
Continue with Step #3, Page 15

Figure 3

STEP #3 - PRELIMINARY SETUP - FOR ORIGINATOR "FP"

FILE FOLDER

Contains forms, pamphelets and disclosures that are not customized for each Borrower and a stacking order checklist. Each ORIGINATOR will have several blank files to be customized at application. File folder will be modified to comply with regulatory and professional organization rules and standards.



COMPUTERIZED SYSTEM

System will coordinate and read information from ORIGINATOR's industry software such as tax files for accountants, insurance files for insurance brokers, Broker/Dealer files, etc. Through reading files in other software ORIGINATOR uses in the course of its normal business practices, information can be extracted for loan documents. ORIGINATOR inputs any information that is not extracted from its other software systems directly (see details below under CYPHER). Cypher will be modified to comply with regulatory rules and professional organization rules and standards.



Continue with Step #4, Page 16

Figure 3

STEP #4 - INFORMATION AND INTERVIEW - FOR ORIGINATOR "FP"

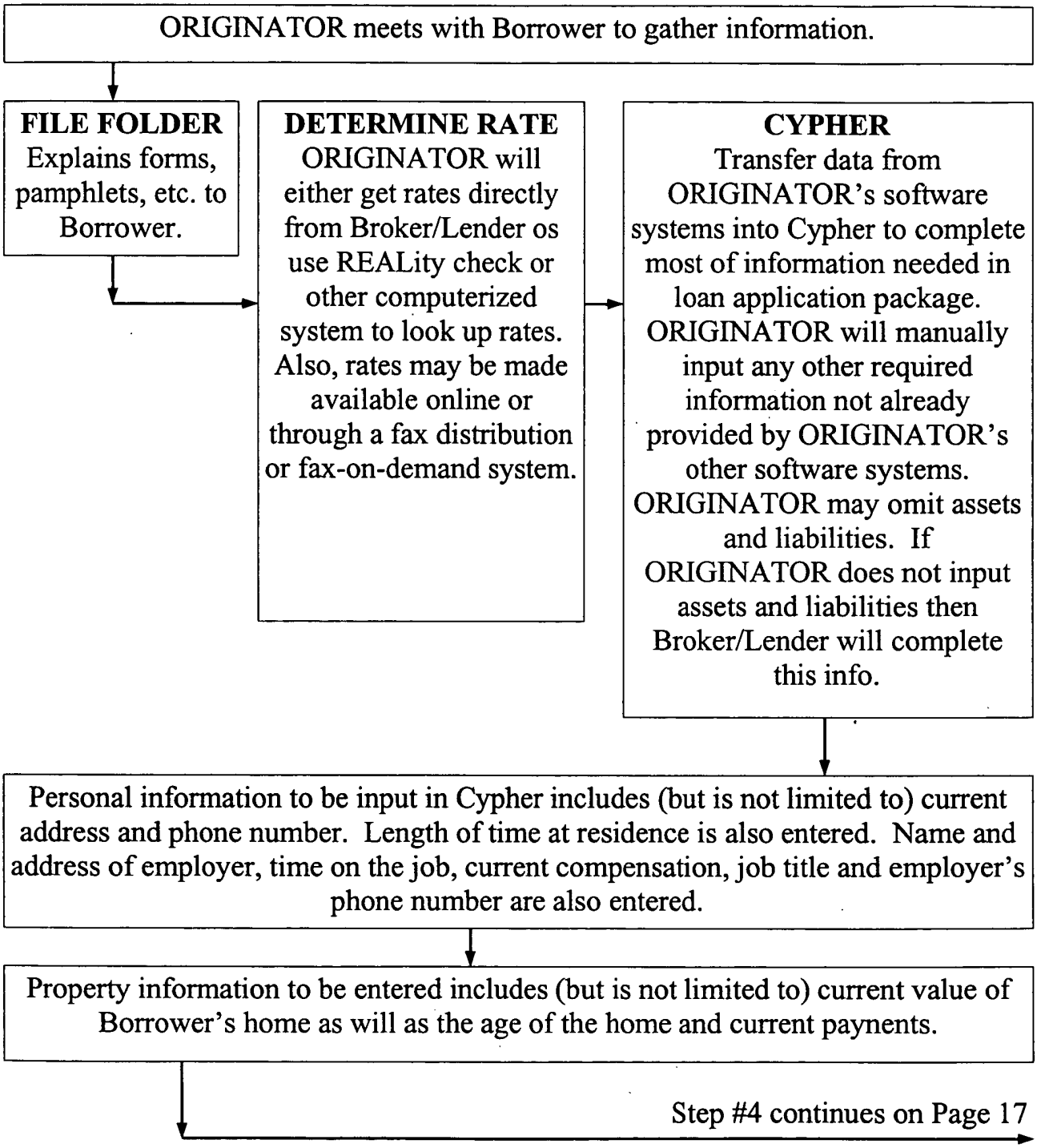


Figure 3

STEP #4 - (CONT) - ORIGINATOR "FP"

Loan details to be entered include rate; term; points; whether or not there is a balloon payment; title and escrow fees (they can be pre-programmed into the system). Also indicated is whether or not Broker/Lender is giving a credit for closing costs. ORIGINATOR will also indicate whether or not the Borrower will have impounds for taxes/insurance. If loan is to be a "No Point, No Fee" Cypher will calculate and disclose applicable credits.

↓

ORIGINATOR must also complete the Declarations section on the loan application (example page 3 of current FNMA 1003), this section discloses any lawsuits, bankruptcies, foreclosures, loan defaults, etc. Also, information about sex and national origin is requested. If Borrower does not wish to provide information about sex and national origin, ORIGINATOR will acknowledge that Borrower does not wish to provide such information.

↓

ORIGINATOR prints and explains forms to Borrower, including forms and pamphlets from the lot folder (the boiler plate forms). Borrower signs all forms.

↓

ORIGINATOR collects all applicable documentation on the stacking order checklist from the Borrower, including (but not limited to) W-2 forms, paystubs, bank statements, tax returns, bankruptcy papers, retirement information, etc.

↓

ORIGINATOR packages up all gathered information and puts said information in a pre-determined stacking order and sends it to Broker/Lender for processing.

↓

Continue with Step #5, Page 29

Figure 3

STEP #2 - LICENSING - FOR ORIGINATOR "FI"

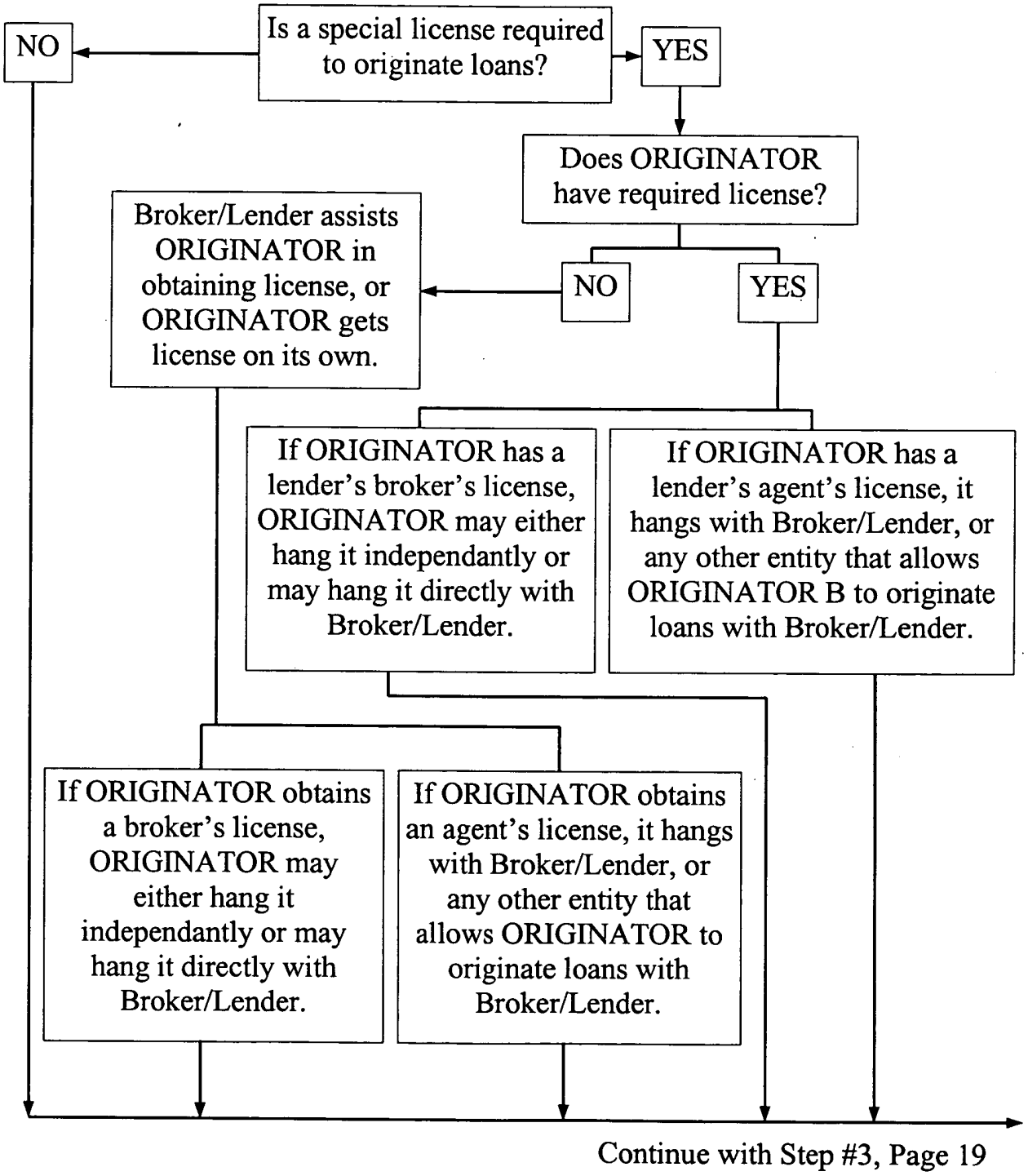
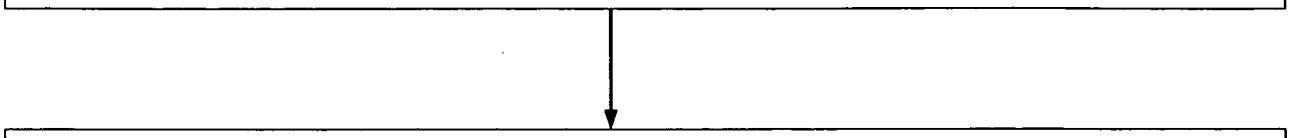


Figure 3

STEP #3 - PRELIMINARY SETUP - FOR ORIGINATOR "FI"

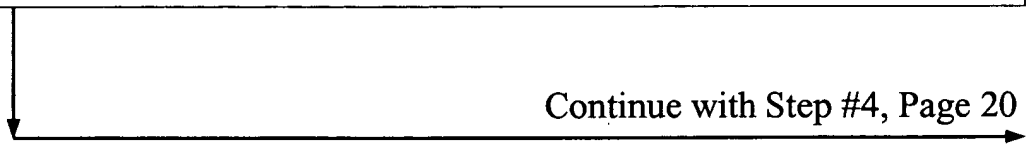
FILE FOLDER

Contains forms, pamphelets and disclosures that are not customized for each Buyer/ Borrower and a stacking order checklist. Each ORIGINATOR will have several blank files to be customized at application. File folder will be modified to comply with regulatory and professional organization rules and standards.



COMPUTERIZED SYSTEM

System will coordinate and read information from ORIGINATOR's industry software . Through reading files in other software ORIGINATOR uses in the course of its normal business practices, information can be extracted for loan documents. ORIGINATOR inputs any infornation that is not extracted from its other software systems directly (see details below under CYPHER). Cypher will be modified to comply with regulatory rules and professional organization rules and standards.



Continue with Step #4, Page 20

Figure 3

STEP #4 - INFORMATION AND INTERVIEW - FOR ORIGINATOR "FI"

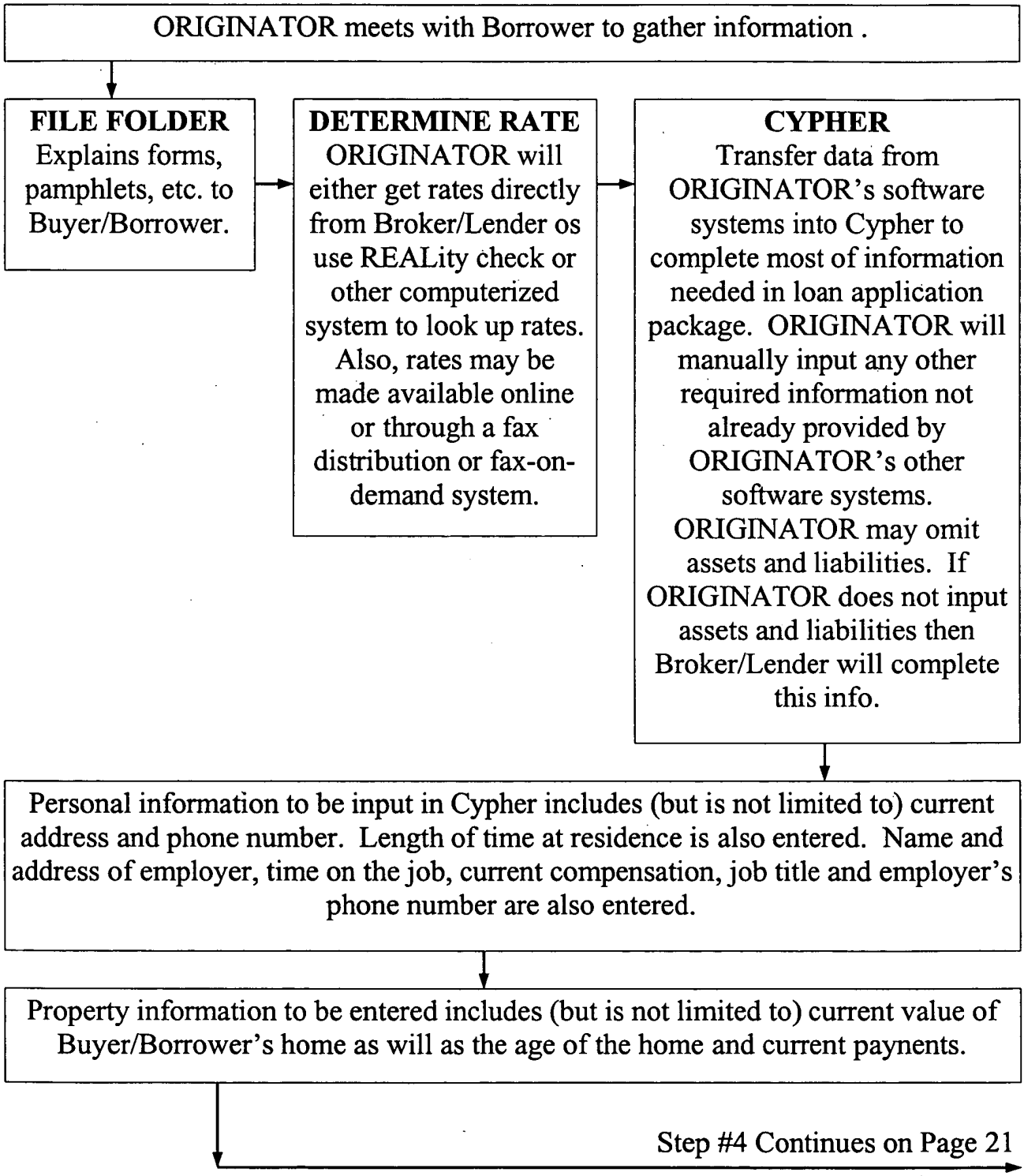


Figure 3

STEP #4 - (CONT) - FOR ORIGINATOR "FI"

Loan details to be entered include (but are not limited to) rate; term; points; whether or not there is a balloon payment; title and escrow fees (if Cypher has these fees in advance they can be pre-programmed into the system) and whether or not Broker/ Lender is giving a credit for closing costs. Such a credit can be manually input or Cypher can calculate the credit if it is based on a pre-determined formula. ORIGINATOR will also indicate whether or not the Buyer/Borrower will have impounds for taxes/insurance. If loan is to be a "No Point, No Fee" Cypher will calculate and disclose applicable credits.

ORIGINATOR must also complete the Declarations section on the loan application (example page 3 of current FNMA 1003), this section discloses any lawsuits, bankruptcies, foreclosures, loan defaults, etc. Also, information about sex and national origin is requested. If Buyer/Borrower does not wish to provide information about sex and national origin, ORIGINATOR will acknowledge that Buyer/Borrower does not wish to provide such information.

ORIGINATOR prints and explains forms to Buyer/Borrower, including forms and pamphlets from the lot folder (the boiler plate forms). Buyer/Borrower signs all forms.

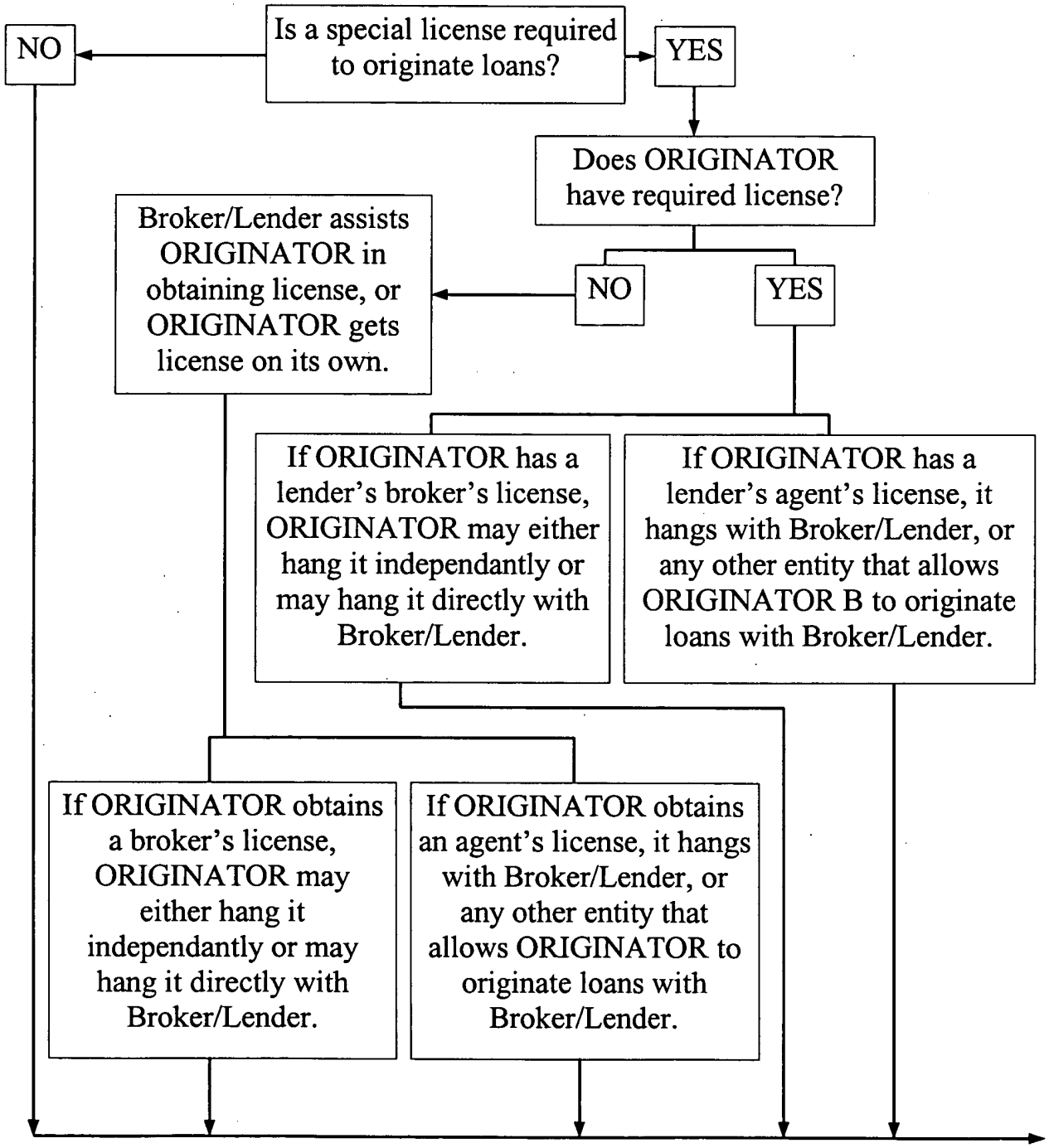
ORIGINATOR collects all applicable documentation on the stacking order checklist from the Buyer/Borrower, including (but not limited to) W-2 forms, paystubs, bank statements, tax returns, bankruptcy papers, retirement information, etc.

ORIGINATOR packages up all gathered information and puts said information in a pre-determined stacking order and sends it to Broker/Lender for processing.

Continue with Step #5, Page 29

Figure 3

STEP #2 - LICENSING - FOR ORIGINATOR "R"



Continue with Step #3, Page 23

Figure 3

STEP #3 - PRELIMINARY SETUP - FOR ORIGINATOR "R"

FILE FOLDER

Contains forms, pamphelets and disclosures that are not customized for each Buyer/ Borrower and a stacking order checklist. Each ORIGINATOR will have several blank files to be customized at application. File folder will be modified to comply with regulatory and professional organization rules and standards.

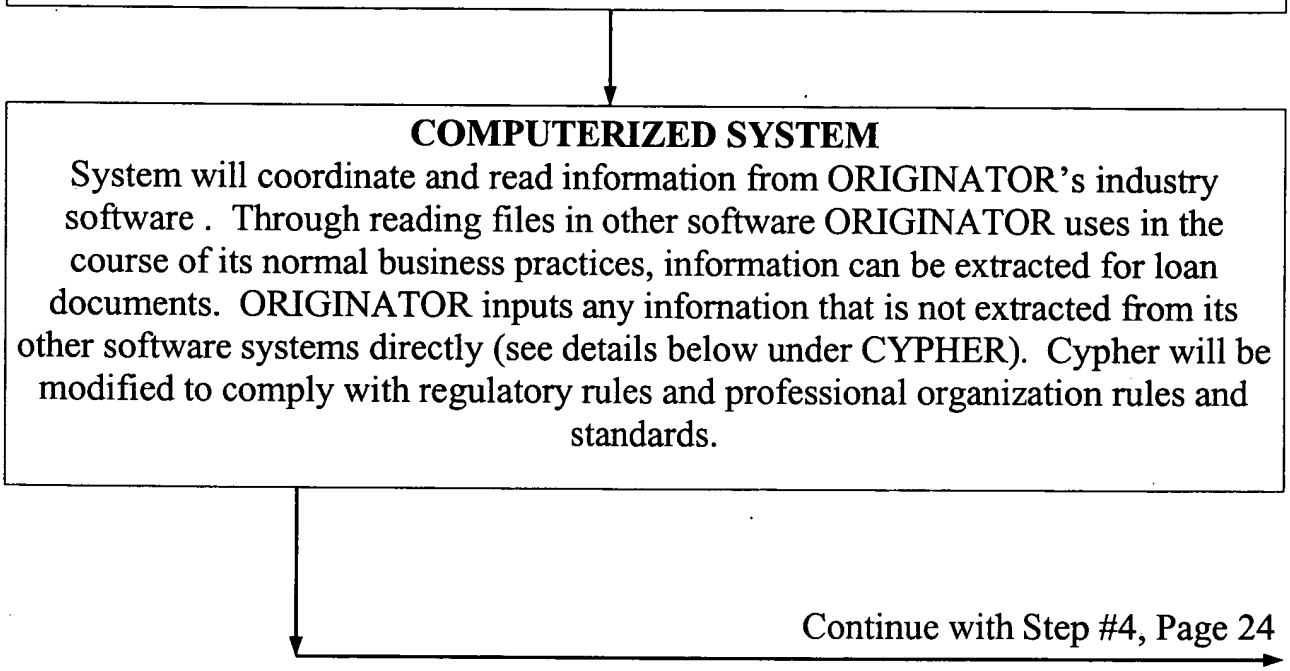
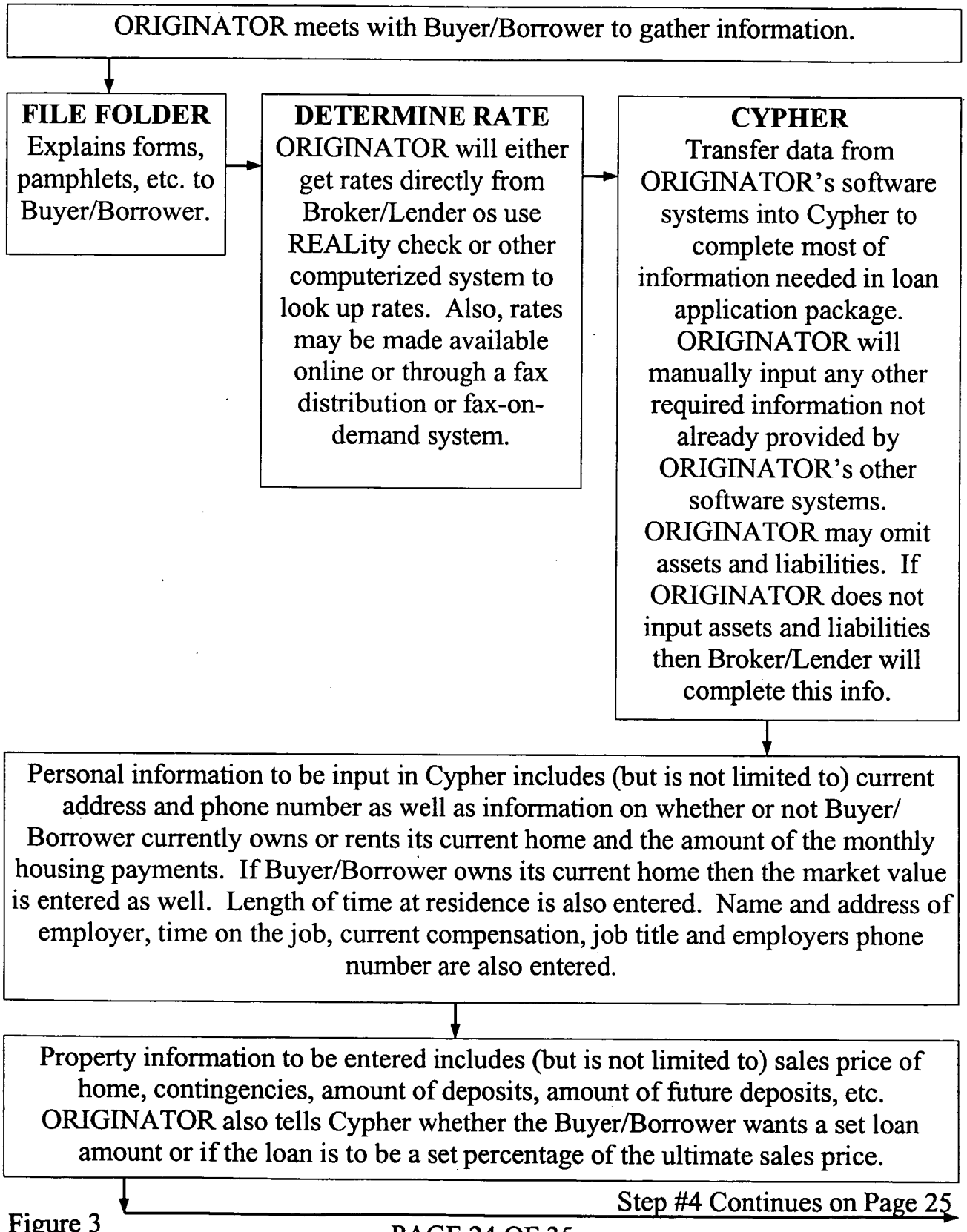


Figure 3

STEP #4 - INFORMATION AND INTERVIEW - FOR ORIGINATOR "R"



Step #4 Continues on Page 25

Figure 3

STEP #4 - (CONT) - FOR ORIGINATOR "R"

Loan details to be entered include (but are not limited to) estimated final sales price after all options are selected and an estimated final loan amount (should estimate on the high side); rate; term; points; whether or not there is a balloon payment; title and escrow fees (if Cypher has these fees in advance they can be pre-programmed into the system) and whether or not Broker/Lender is giving a credit for closing costs and if so the amount of the credit. Such a credit can be manually input or Cypher can calculate the credit if it is based on a pre-determined formula. ORIGINATOR will also indicate whether or not the Buyer/Borrower will have impounds for taxes/ insurance.

↓

ORIGINATOR must also complete the Declarations section on the loan application (example page 3 of current FNMA 1003), this section discloses any lawsuits, bankruptcies, foreclosures, loan defaults, etc. Also, information about sex and national origin is requested. If Buyer/Borrower does not wish to provide information about sex and national origin, ORIGINATOR will acknowledge that Buyer/Borrower does not wish to provide such information.

↓

ORIGINATOR prints and explains forms to Buyer/Borrower, including forms and pamphlets from the lot folder (the boiler plate forms). Buyer/Borrower signs all forms.

↓

ORIGINATOR collects all applicable documentation on the stacking order checklist from the Buyer/Borrower, including (but not limited to) W-2 forms, paystubs, bank statements, tax returns, bankruptcy papers, retirement information, etc.

↓

ORIGINATOR packages up all gathered information and puts said information in a pre-determined stacking order and sends it to Broker/Lender for processing.

Continue with Step #5, Page 29

Figure 3

STEP #2 and STEP #3 - LICENSING and SETUP - FOR ORIGINATOR "C"

ORIGINATOR will have access to the system through their employer, a club or organization, church group, alumni association, their children's school, sports groups, over the internet, etc.

No license will be required, since consumer will be entering the data for himself/ herself.

FILE FOLDER

A separate file folder will be set up in advance for each individual borrower. It will contain the appropriate individual pamphlets, boiler-plate forms and disclosures, etc. that do not have to be specifically customized for each borrower. The files will be given to the organization through which the Borrower accesses Cypher or can be obtained over the internet. If Borrower requests forms over the internet then the Broker/Lender will send out the pamphlets and disclosures. Borrower will get other forms over the internet.

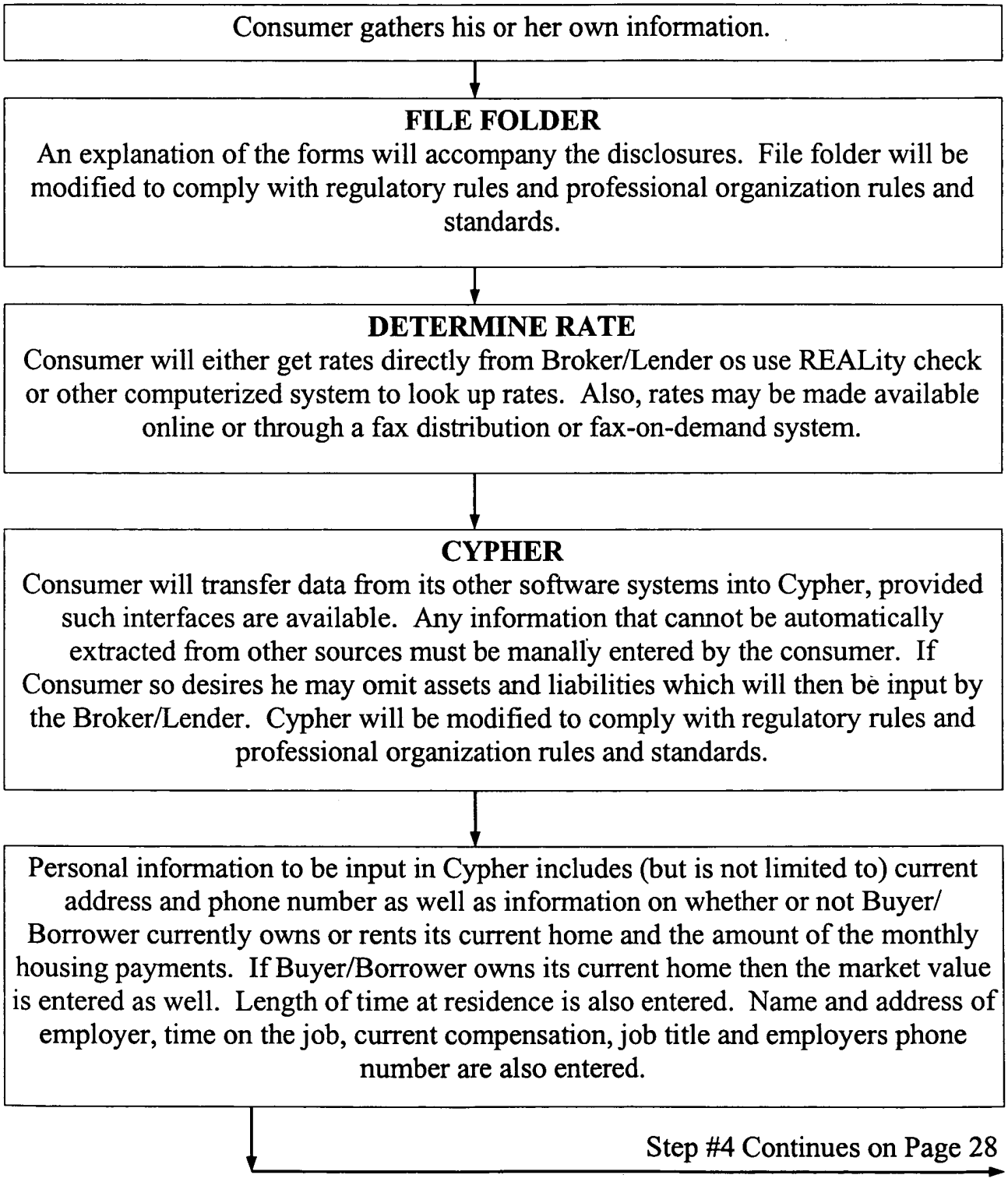
COMPUTERIZED SYSTEM

System will be available over the internet or on-site at the organizations to which the Borrower is affiliated. The system will be set up to read data files from popular tax preparation, accounting and financial planning software that may be available in order to reduce the amount of inputs required. The Borrower will input directly any additional information that is required but that is not available through the additional software systems.

Continue with Step #4, Page 27

Figure 3

STEP #4 - INFORMATION GATHERING - FOR ORIGINATOR "C"



Step #4 Continues on Page 28

Figure 3

STEP #4 - (CONT) - FOR ORIGINATOR "C"

Property information to be entered includes (but is not limited to) sales price of home, contingencies, amount of deposits, amount of future deposits, etc. Consumer also tells Cypher whether the Buyer/Borrower wants a set loan amount or if the loan is to be a set percentage of the ultimate sales price.

↓

Loan details to be entered include (but are not limited to) estimated final sales price after all options are selected and an estimated final loan amount (should estimate on the high side); rate; term; points; whether or not there is a balloon payment; title and escrow fees (if Cypher has these fees in advance they can be pre-programmed into the system) and if Broker/Lender is giving a credit for all or part of the non-recurring closing costs. Such a credit can be manually input or Cypher can calculate the credit if it is based on a pre-determined formula. Consumer will also indicate whether or not the Buyer/Borrower will have impounds for taxes/insurance.

↓

Consumer must also complete the Declarations section on the loan application (example page 3 of current FNMA 1003), this section discloses any lawsuits, bankruptcies, foreclosures, loan defaults, etc. Also, information about sex and national origin is requested. If Buyer/Borrower does not wish to provide information about sex and national origin, Consumer will acknowledge that Buyer/ Borrower does not wish to provide such information.

↓

Consumer prints all forms and also prints an explanation sheet regarding all the forms and then proceeds to sign the forms.

↓

Consumer collects all applicable documentation on the stacking order checklist including (but not limited to) W-2 forms, paystubs, bank statements, tax returns, bankruptcy papers, retirement information, etc.

↓

Consumer packages up all gathered information and puts said information in a pre-determined stacking order and sends it to Broker/Lender for processing.

Continue with Step #5, Page 29

Figure 3

STEP #5 - PACKAGE RECEIVED BY BROKER/LENDER

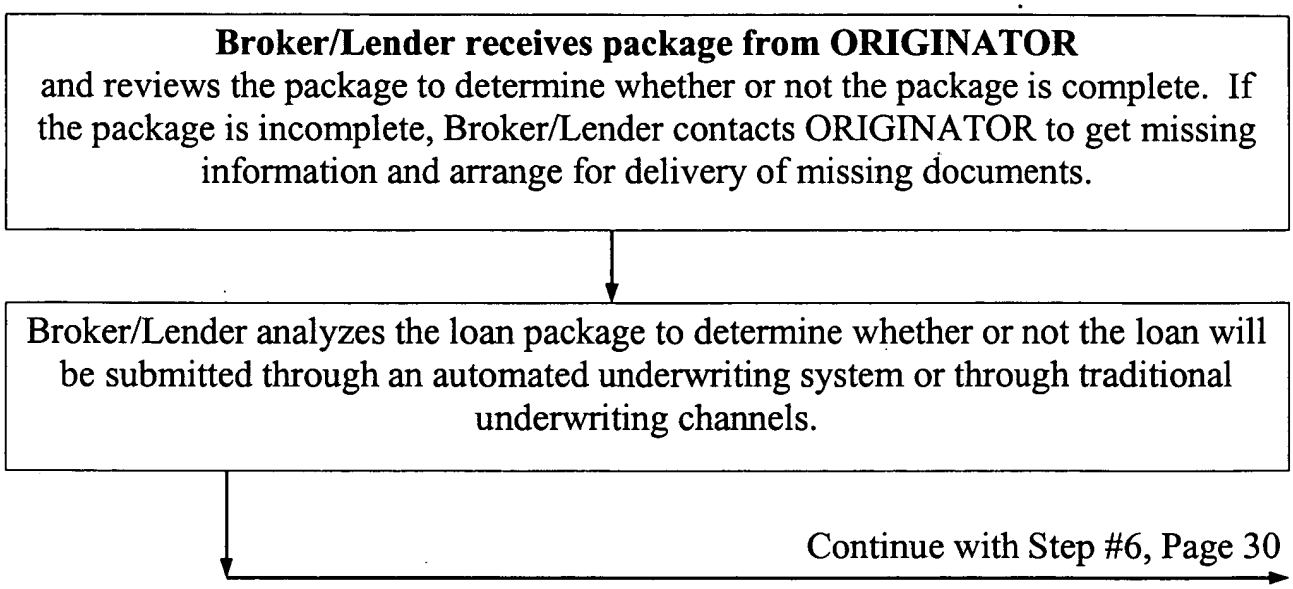


Figure 3

STEP #6 - UNDERWRITING DECISION (AUTOMATED)

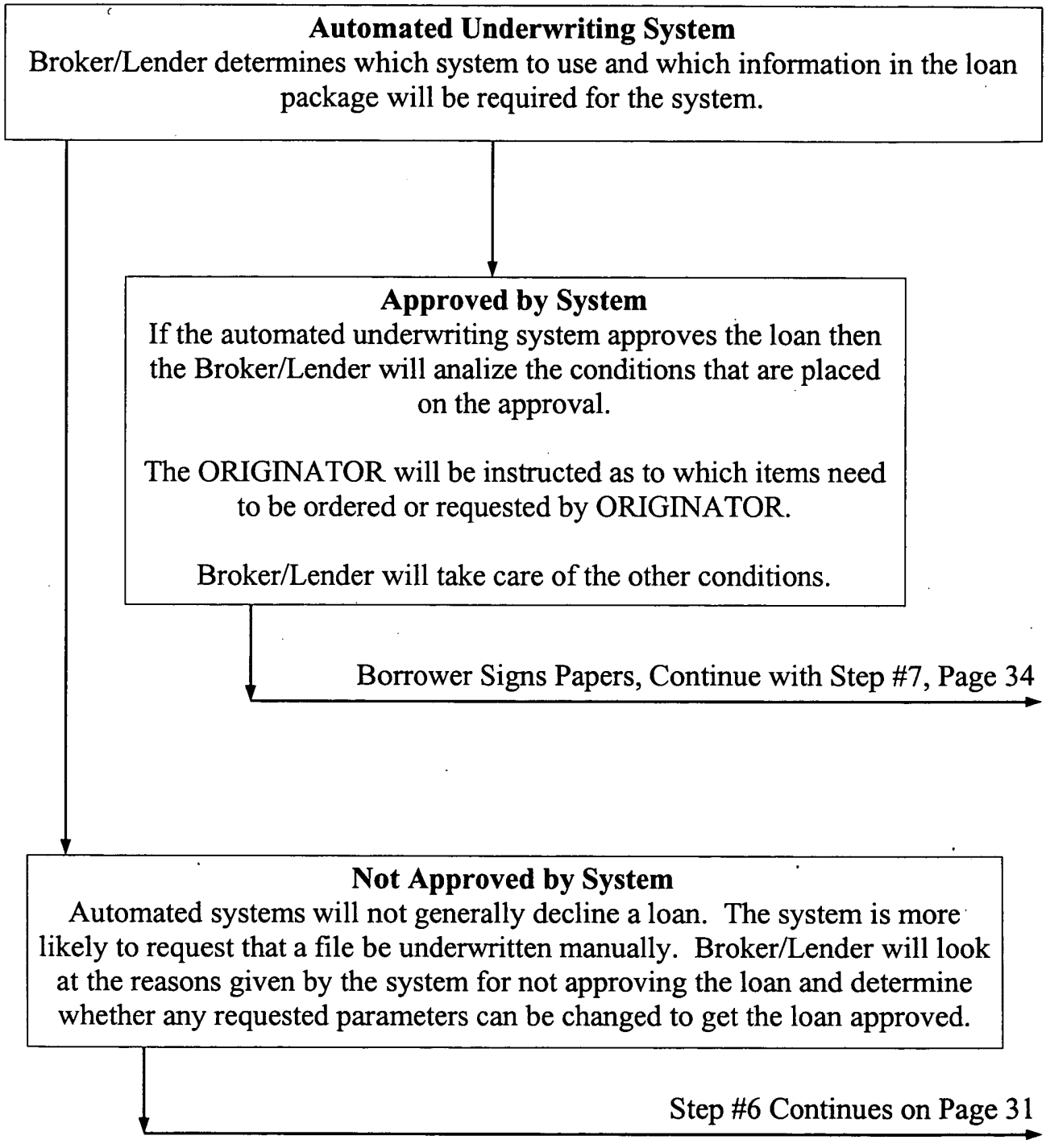


Figure 3

STEP #6 - UNDERWRITING DECISION (AUTOMATED) - NOT ACCEPTED

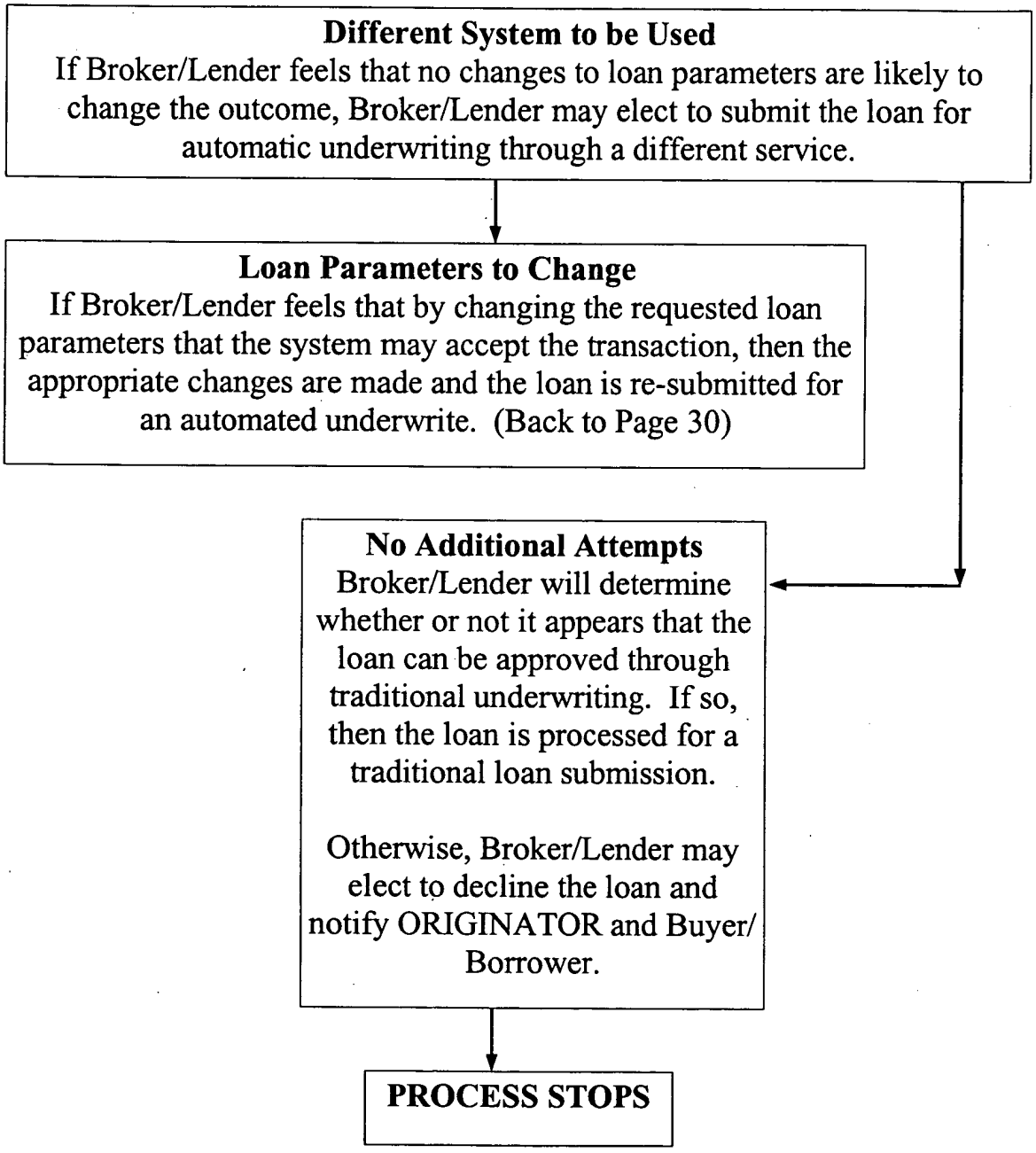


Figure 3

STEP #6 - UNDERWRITING DECISION (TRADITIONAL)

Non-Automated Channels
Broker/Lender determines that normal "Rules Based" underwriting is more appropriate for this transaction.

Broker/Lender will obtain a credit report and fill out the liability section of the loan application. Broker/Lender will also complete the Assets section of the loan application using information provided on asset statements and other information provided by Borrower (i.e. cash, investments, stocks, etc.) Broker/Lender will analyze the Borrower's income, assets, liabilities, etc. to determine what additional information is needed and whether or not the loan can be obtained. Broker/Lender will contact Buyer/Borrower, complete any missing information, including items that were initially left off the loan application. If Broker/Lender determines that the loan cannot be done as requested, then the Buyer/Borrower is so informed at this time. If Broker/Lender is going to continue working on the loan, then the loan application is forwarded to Buyer/Borrower along with any changes or additions that have been made by Broker/Lender for Buyer/Borrower to acknowledge any changes (by initialling).

Broker/Lender will order any required verifications (deposit, mortgage, rent, employment, etc.)

Broker/Lender will either open an escrow and order the title reports or instruct ORIGINATOR to do so as appropriate. If such services have already been ordered by ORIGINATOR then the Broker/Lender will contact the service providers to request the needed documentation.

When appropriate, Broker/Lender instructs ORIGINATOR to order the appraisal through an appraisal service designated by Broker/Lender. Appraisal service will send the completed report directly to Broker/Lender.

Step #6 Continues on Page 33

Figure 3

STEP #6 - UNDERWRITING DECISION (TRADITIONAL)

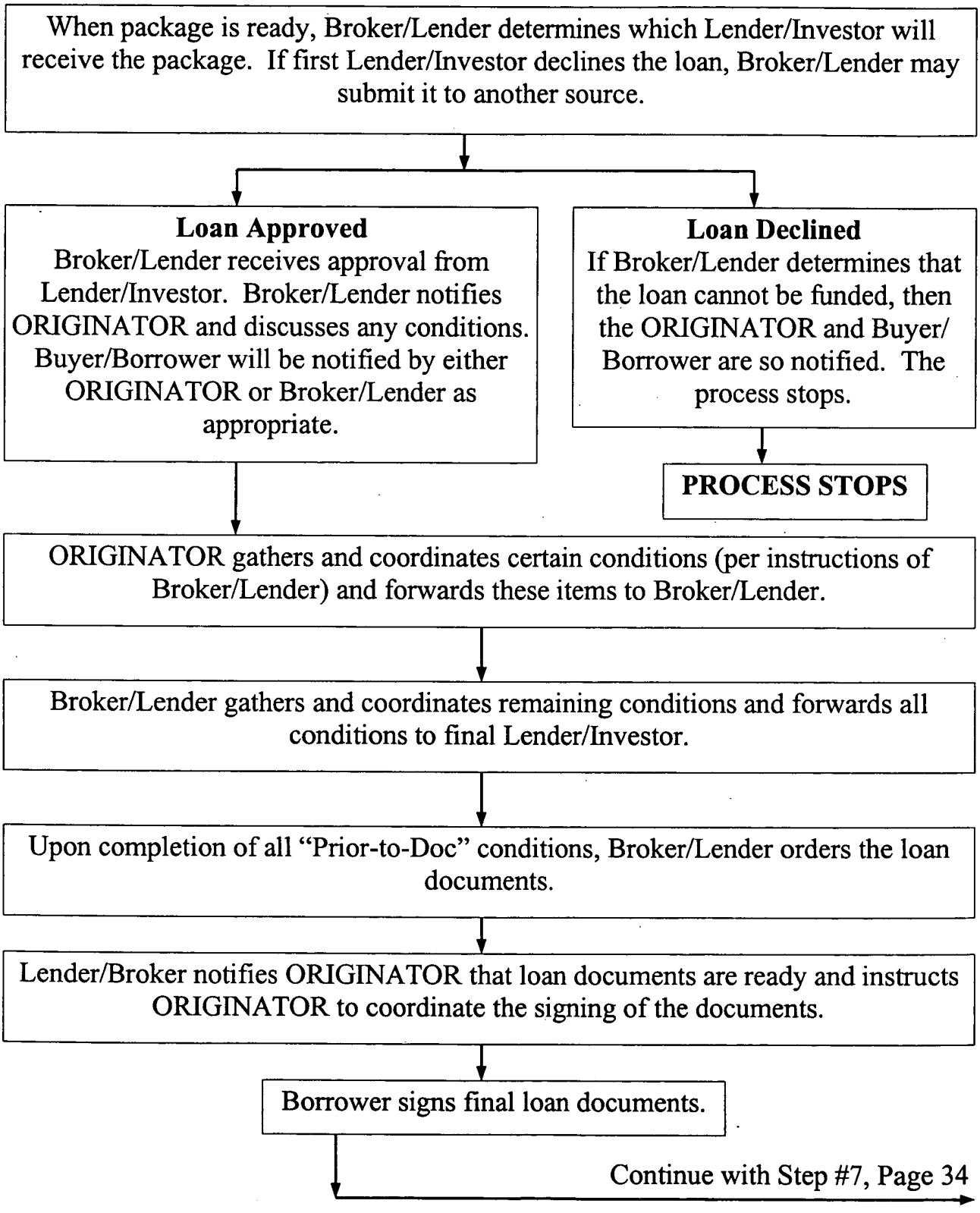
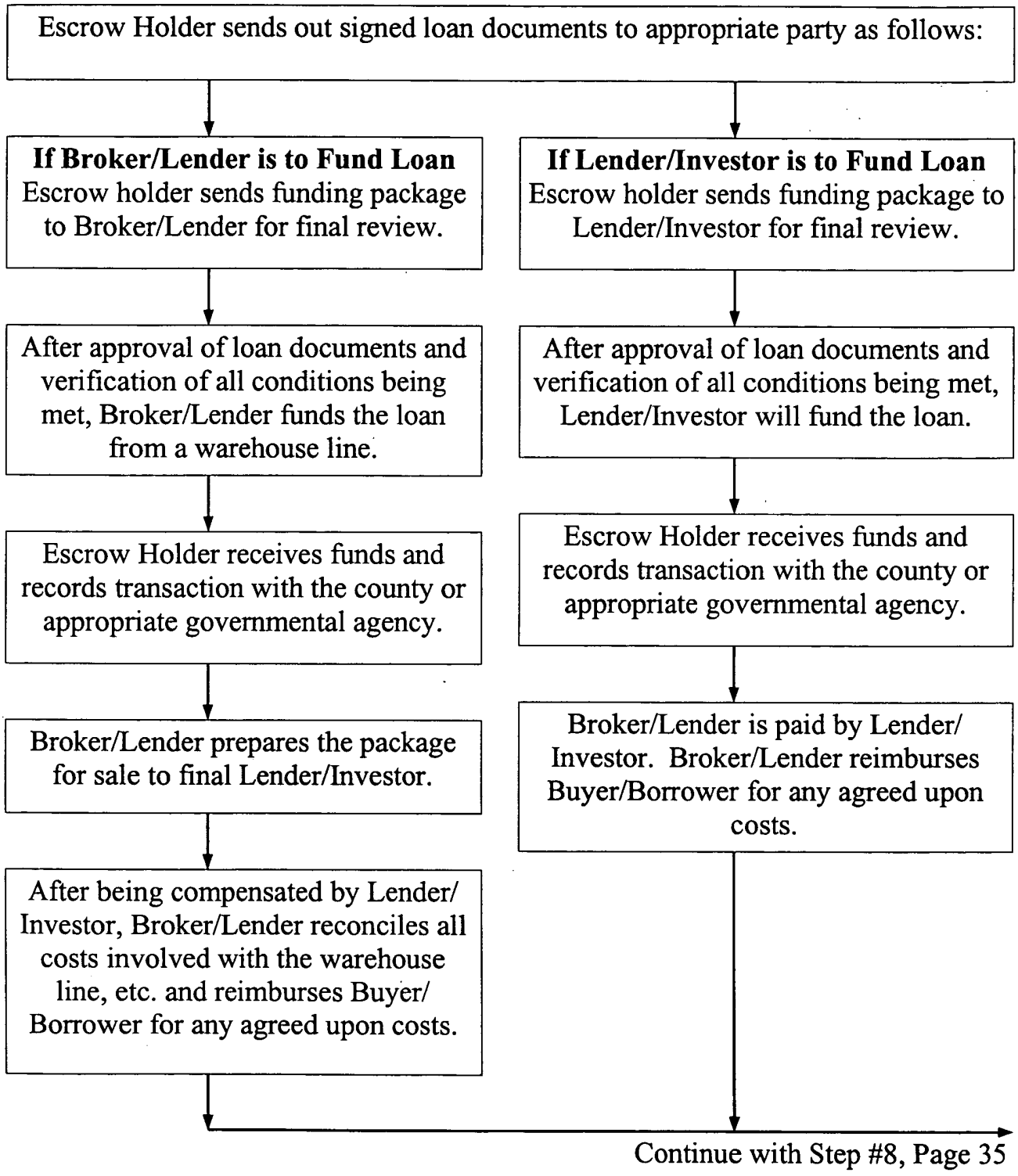


Figure 3

STEP #7 - LOAN FUNDING



Continue with Step #8, Page 35

Figure 3

STEP #8 - LOAN CLOSED

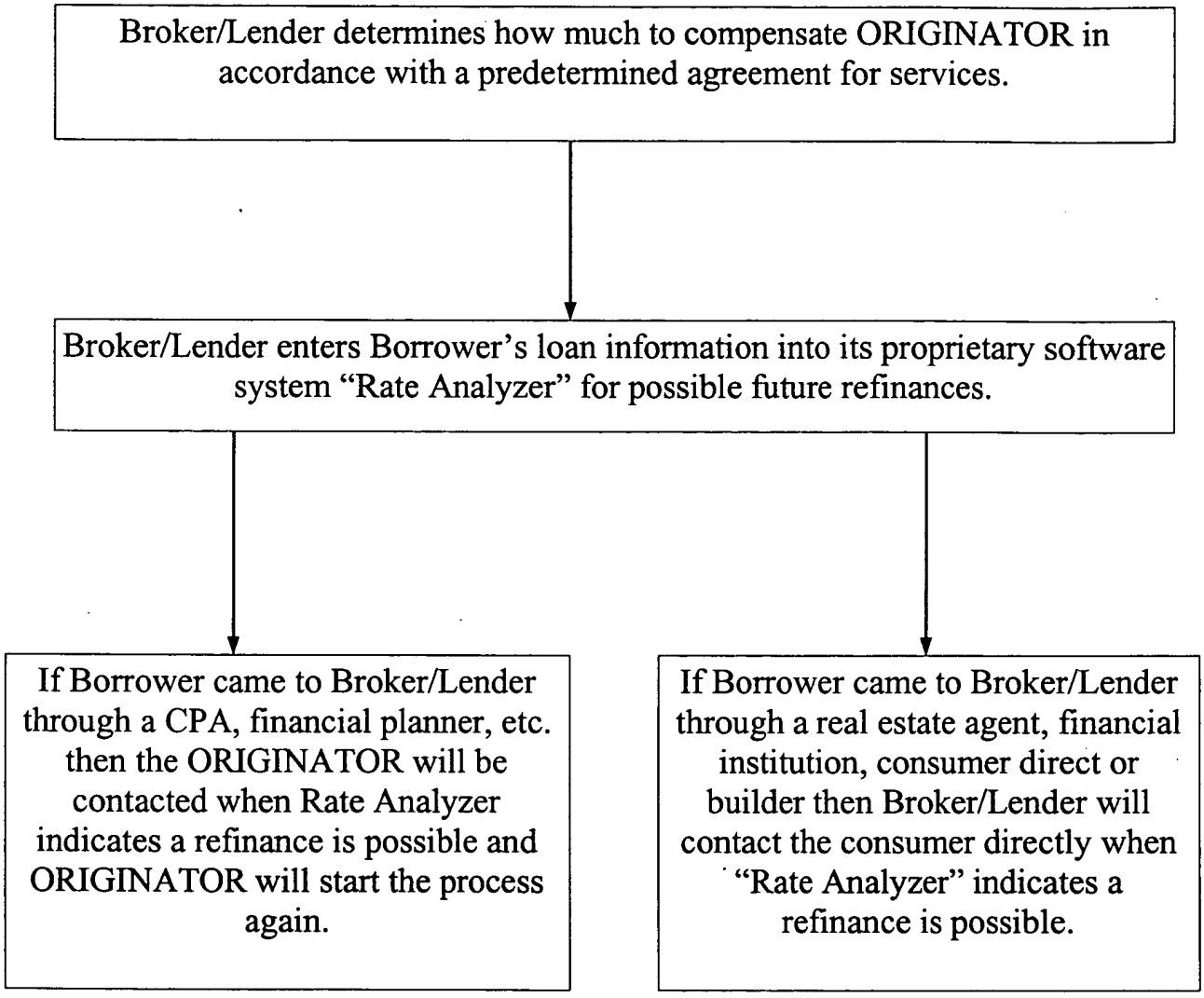


Figure 3

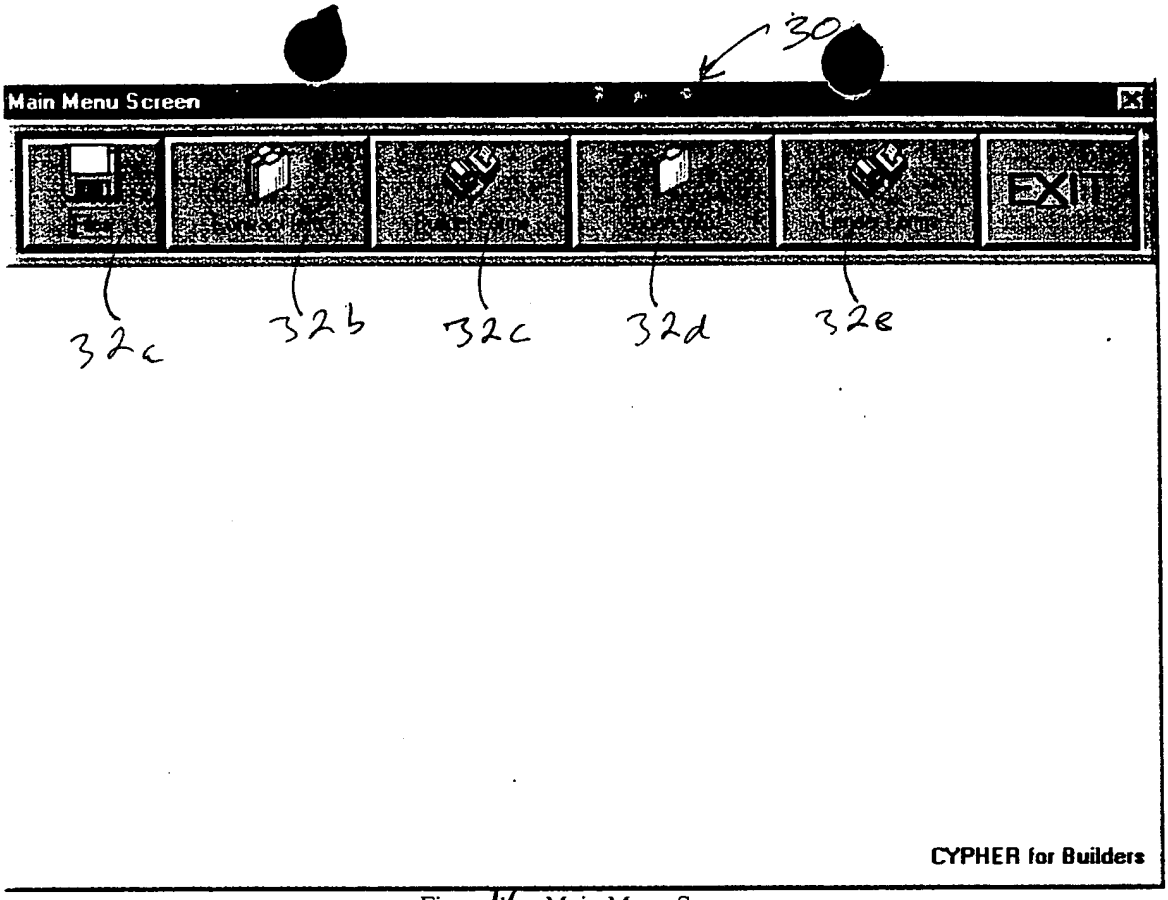


Figure 4a - Main Menu Screen

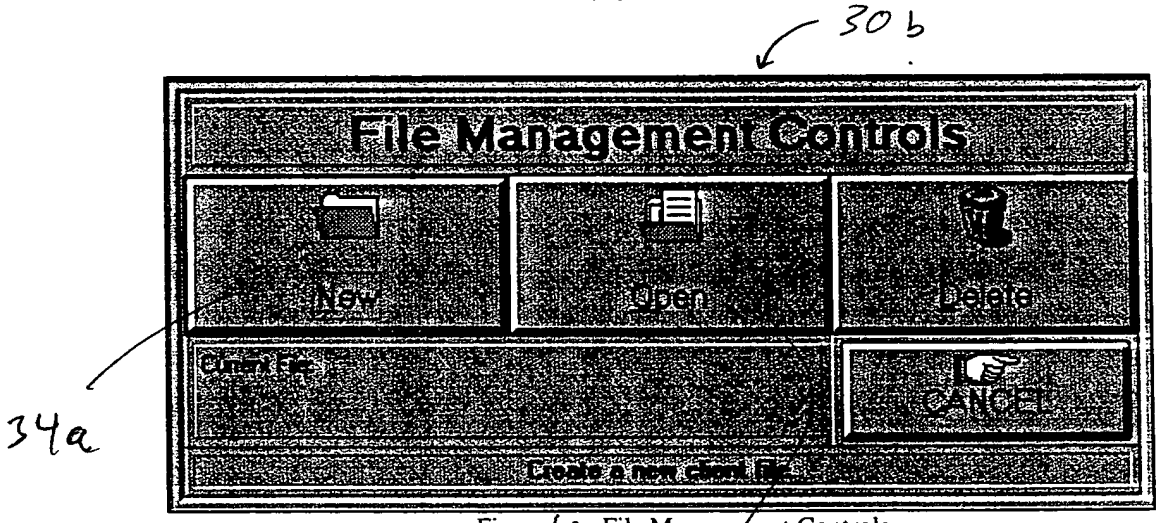


Figure 4b - File Management Controls

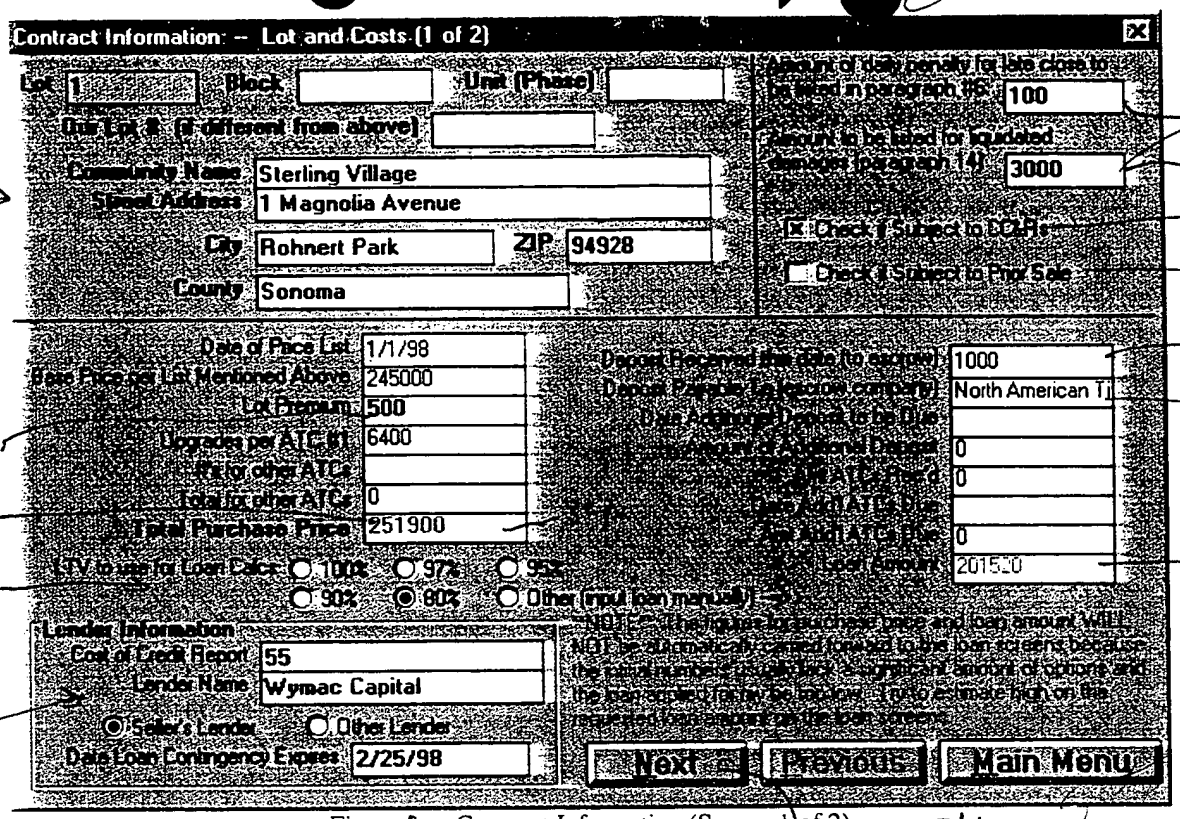


Figure 4 - Contract Information (Screen 1 of 2)

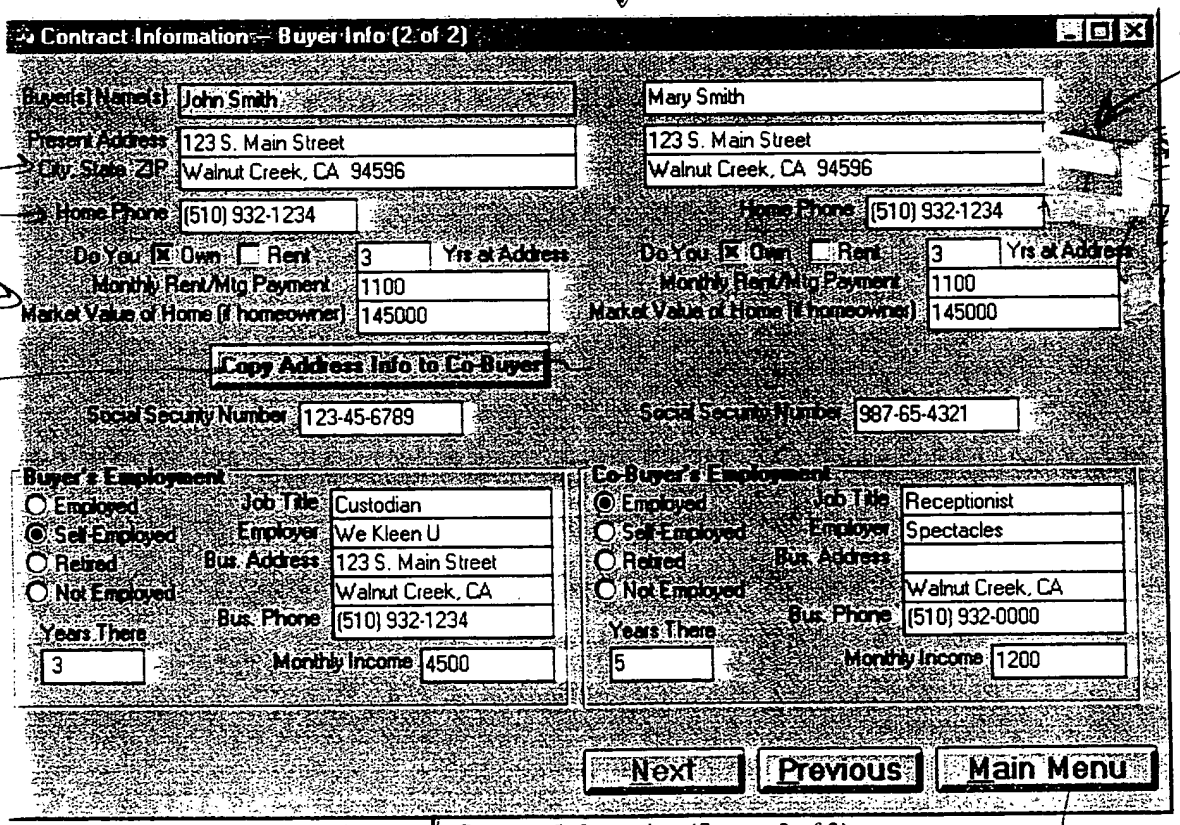


Figure 4 - Contract Information (Screen 2 of 2)

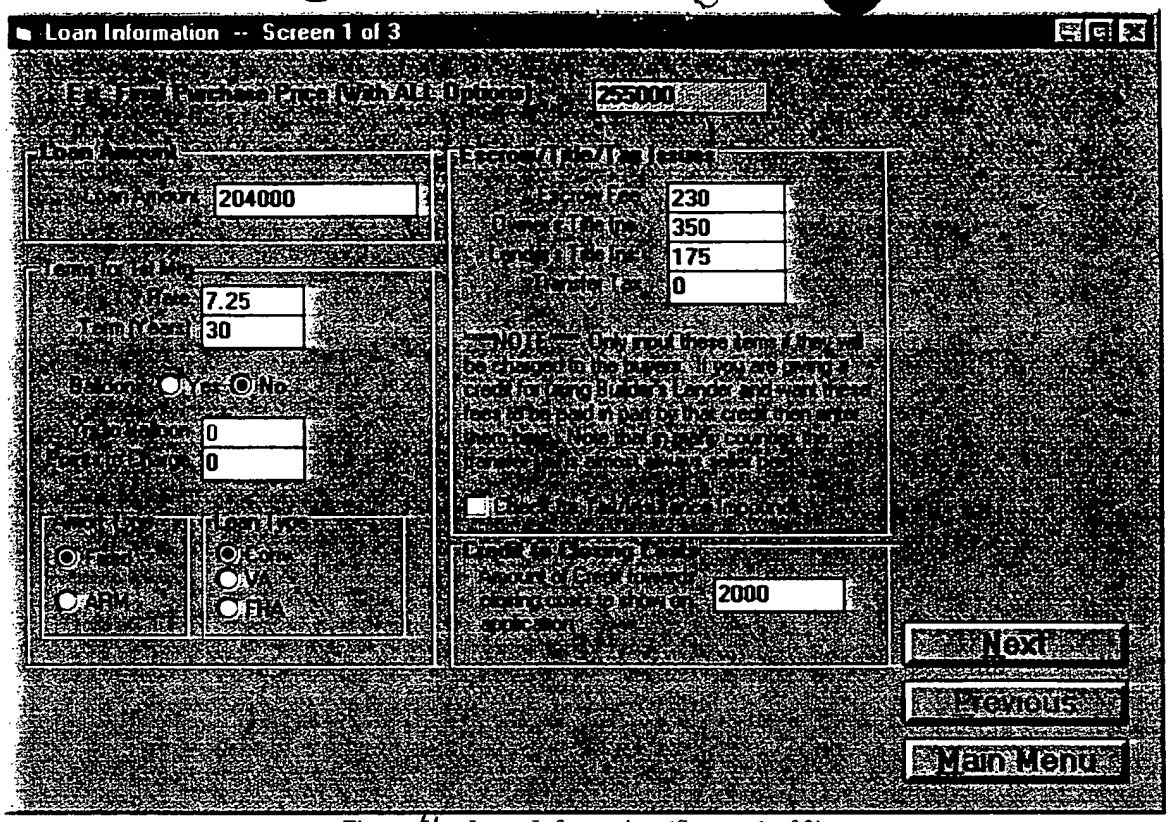


Figure 4/e - Loan Information (Screen 1 of 3)

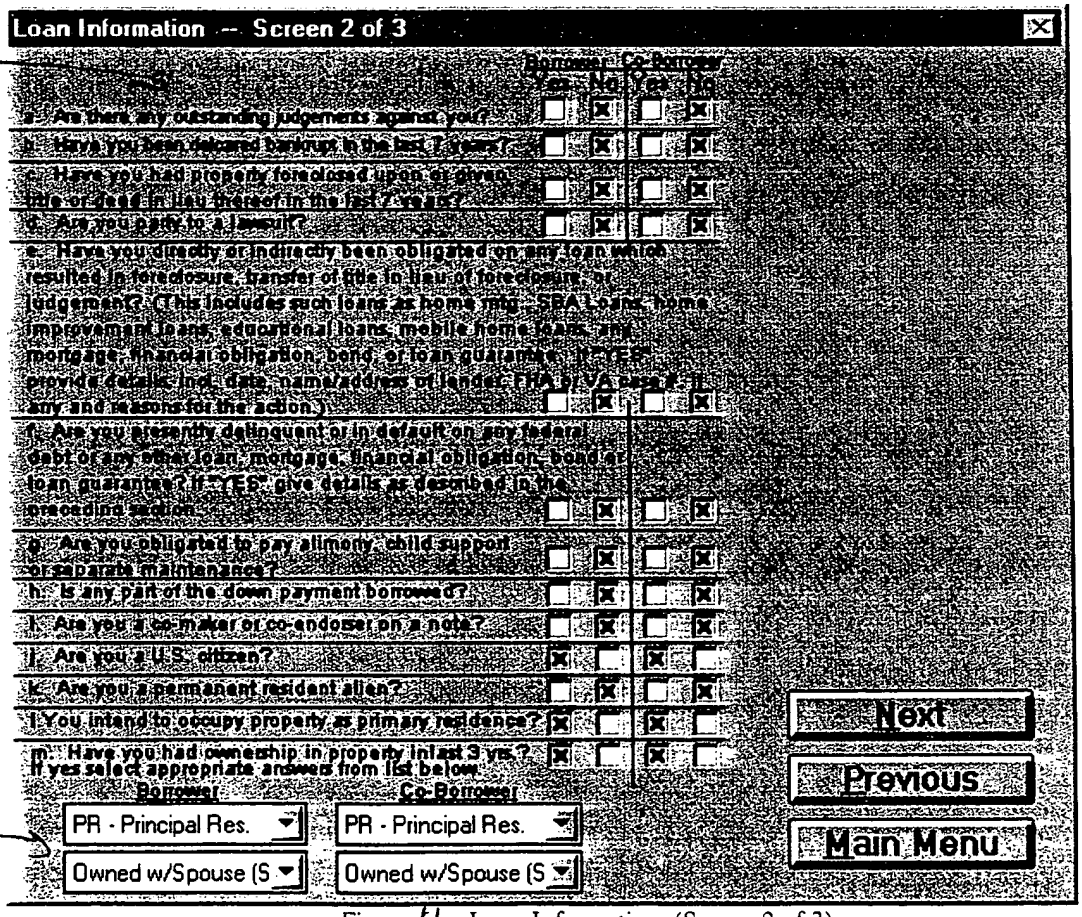


Figure 4/f - Loan Information (Screen 2 of 3)

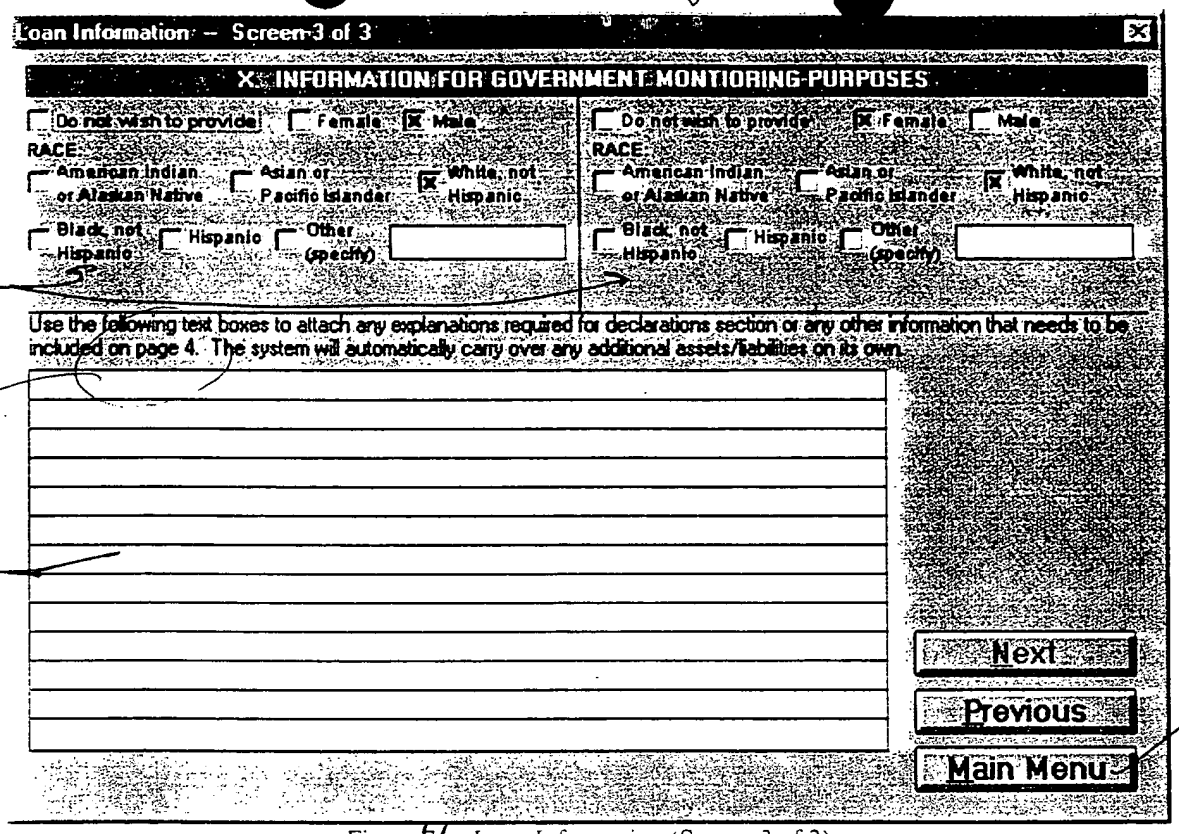


Figure 4g Loan Information (Screen 3 of 3)

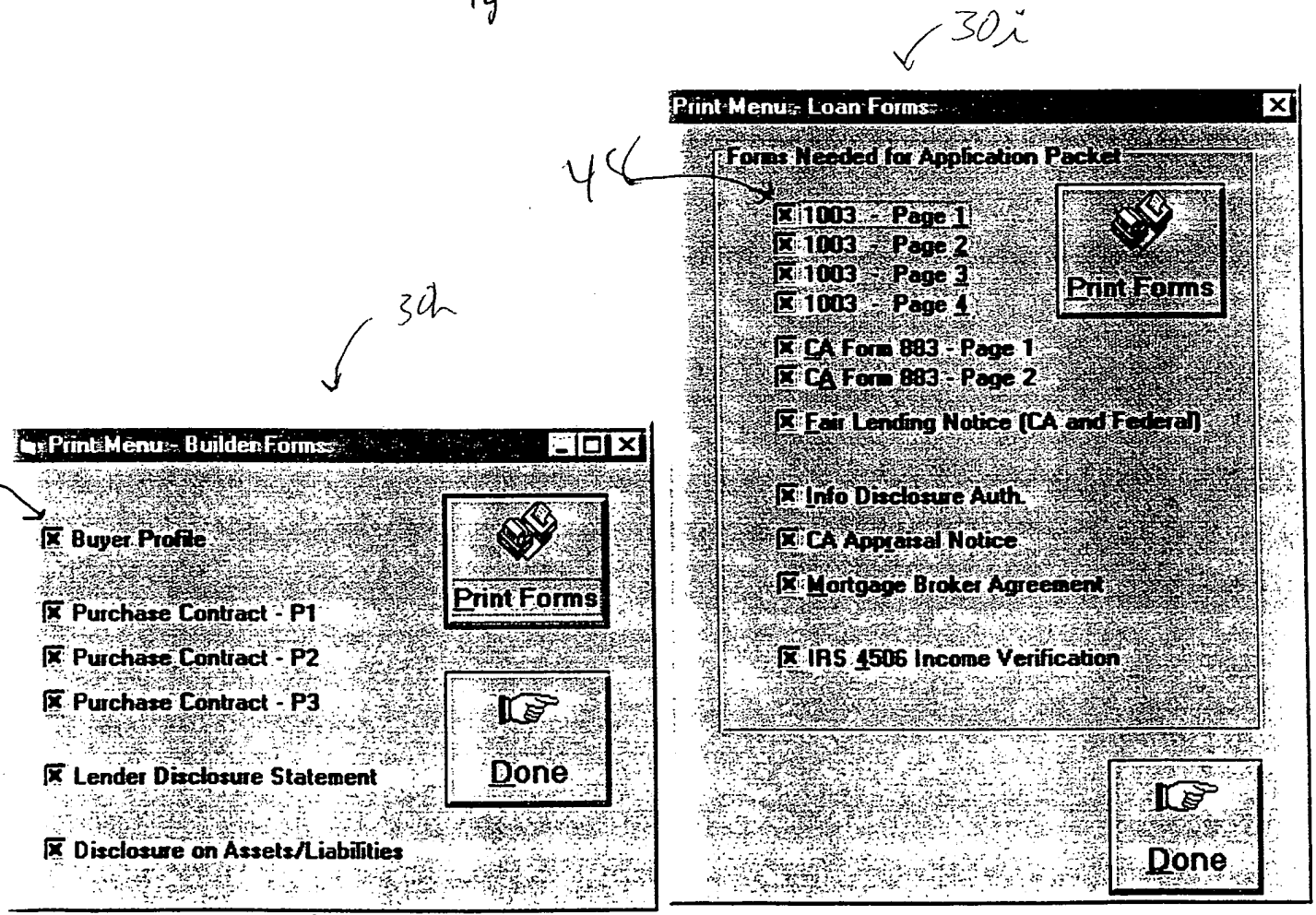
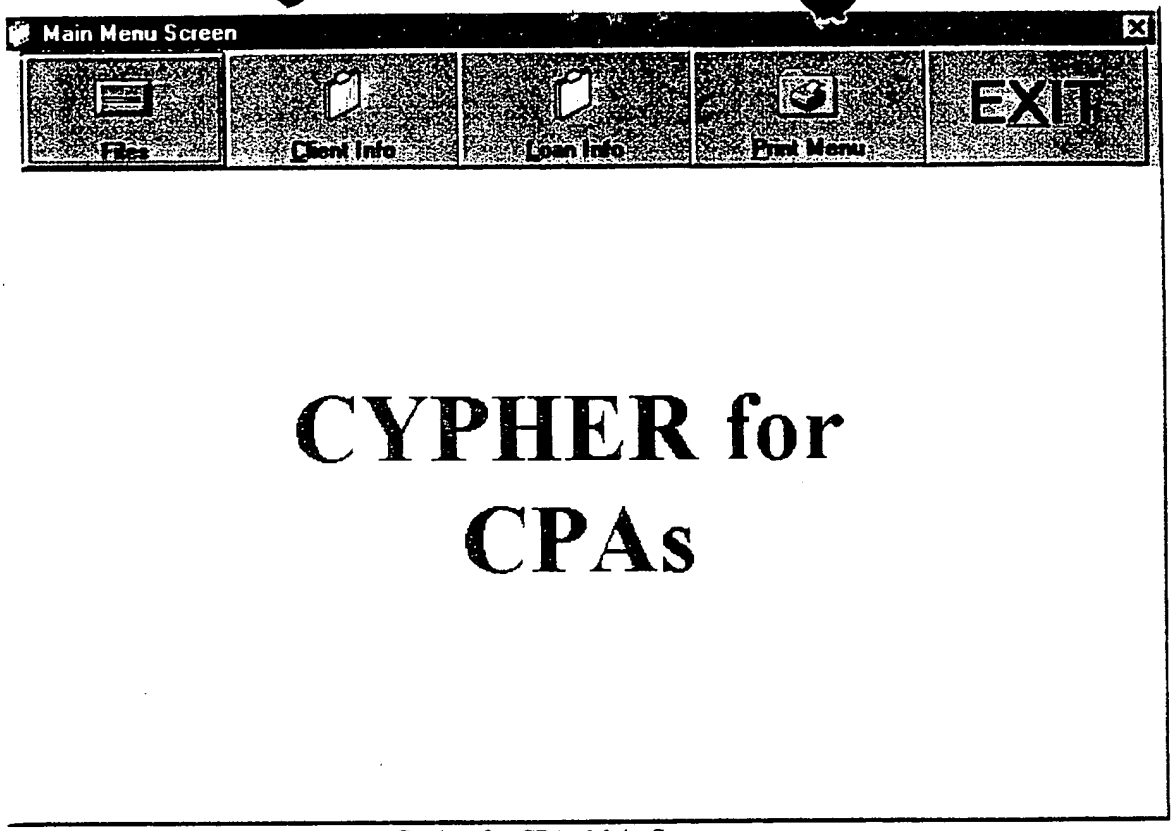
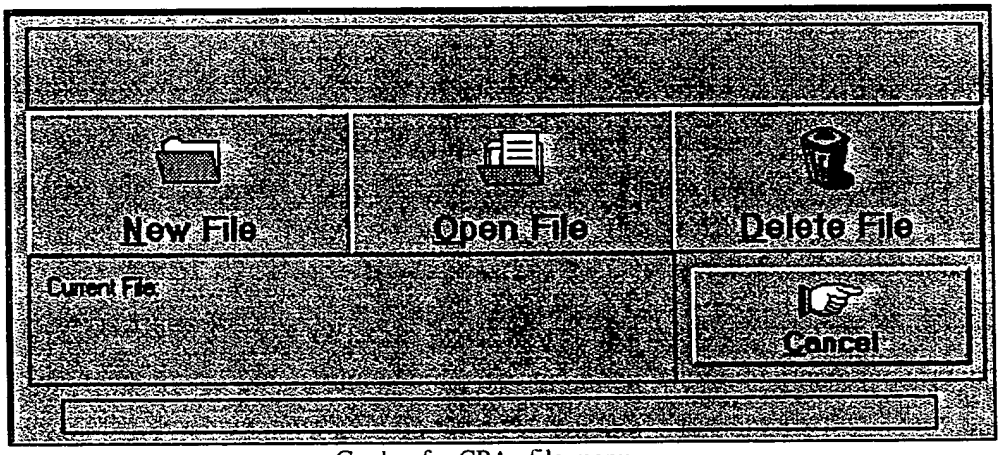


Figure 4h Print Menu Screens (Builder and Lender Forms) - Separate Screens



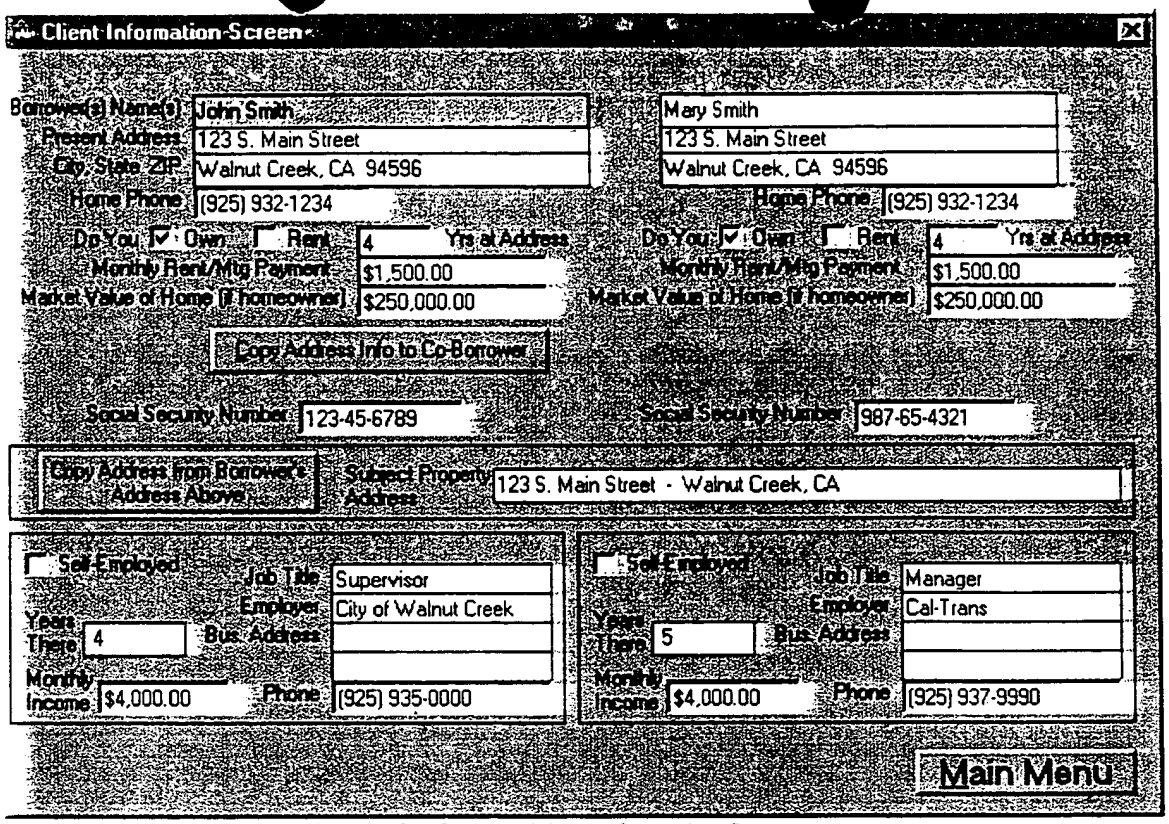
Cypher for CPAs Main Screen

Fig 5a



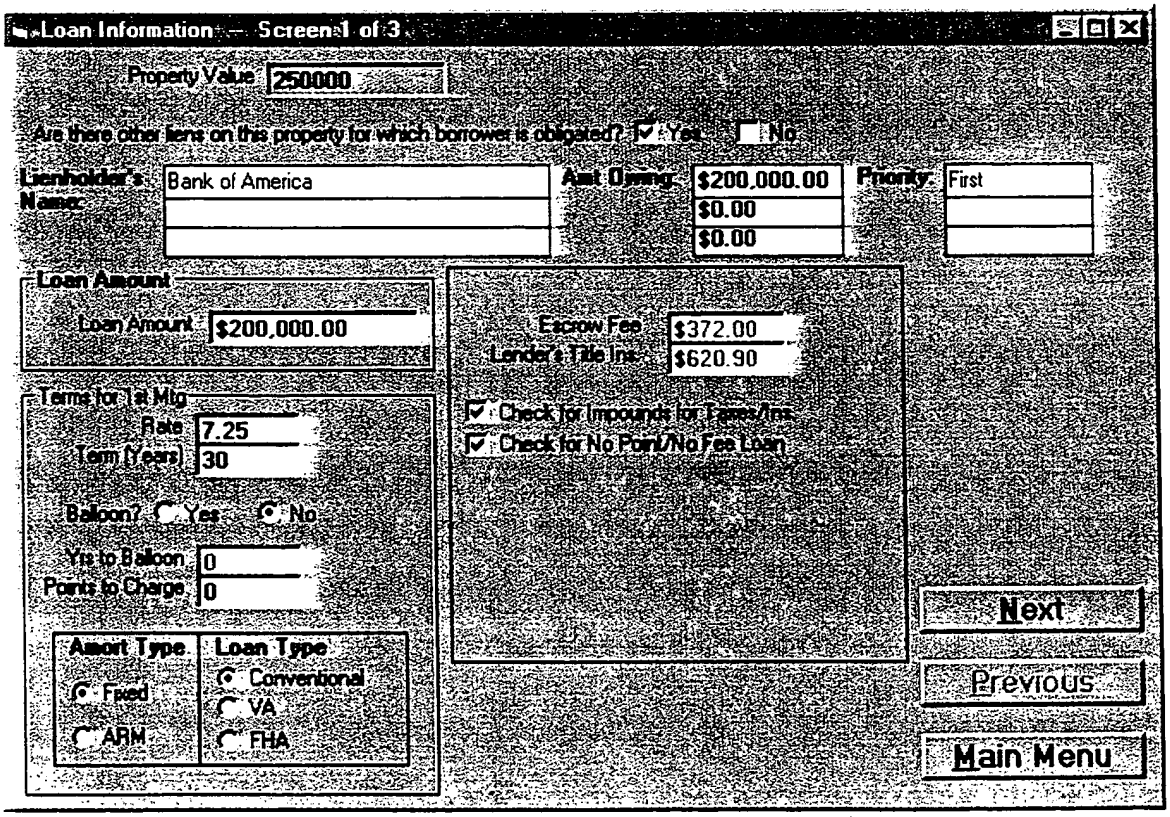
Cypher for CPAs file menu

Fig 5b



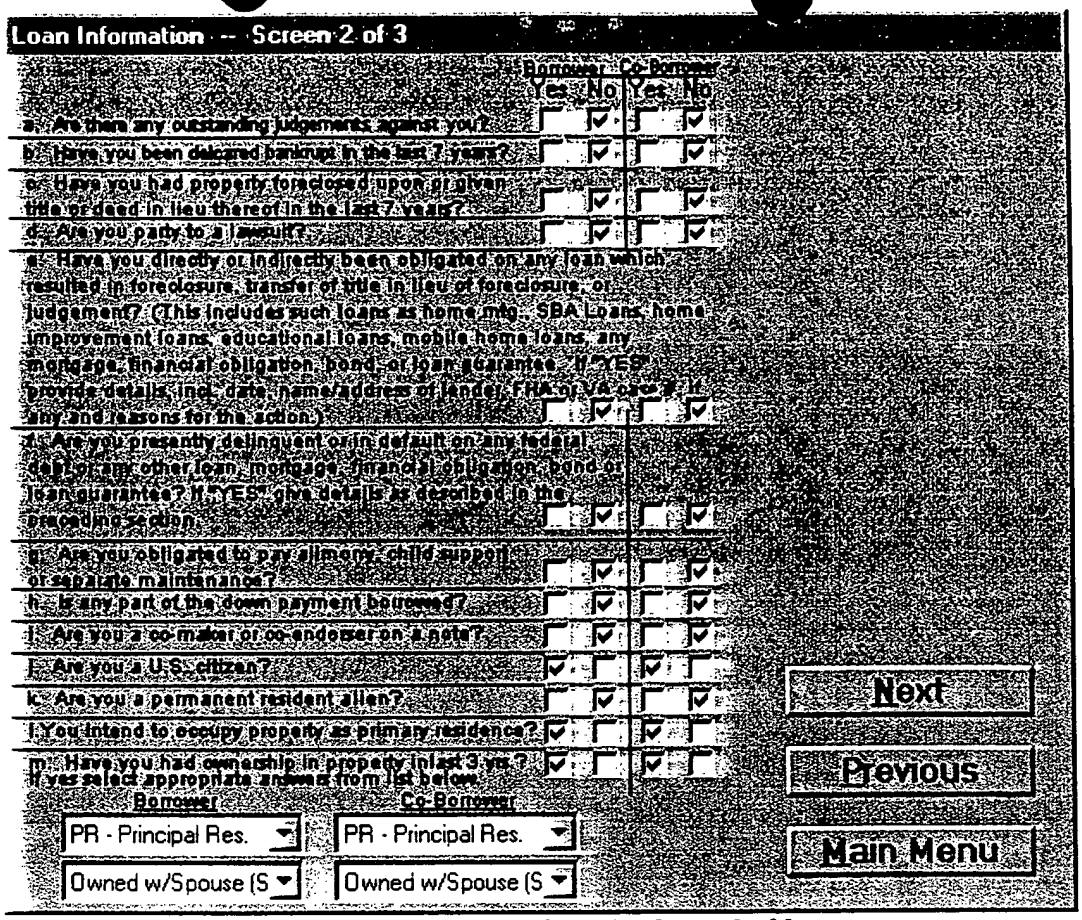
Cypher for CPAs – Client Information Screen

Fig 5c



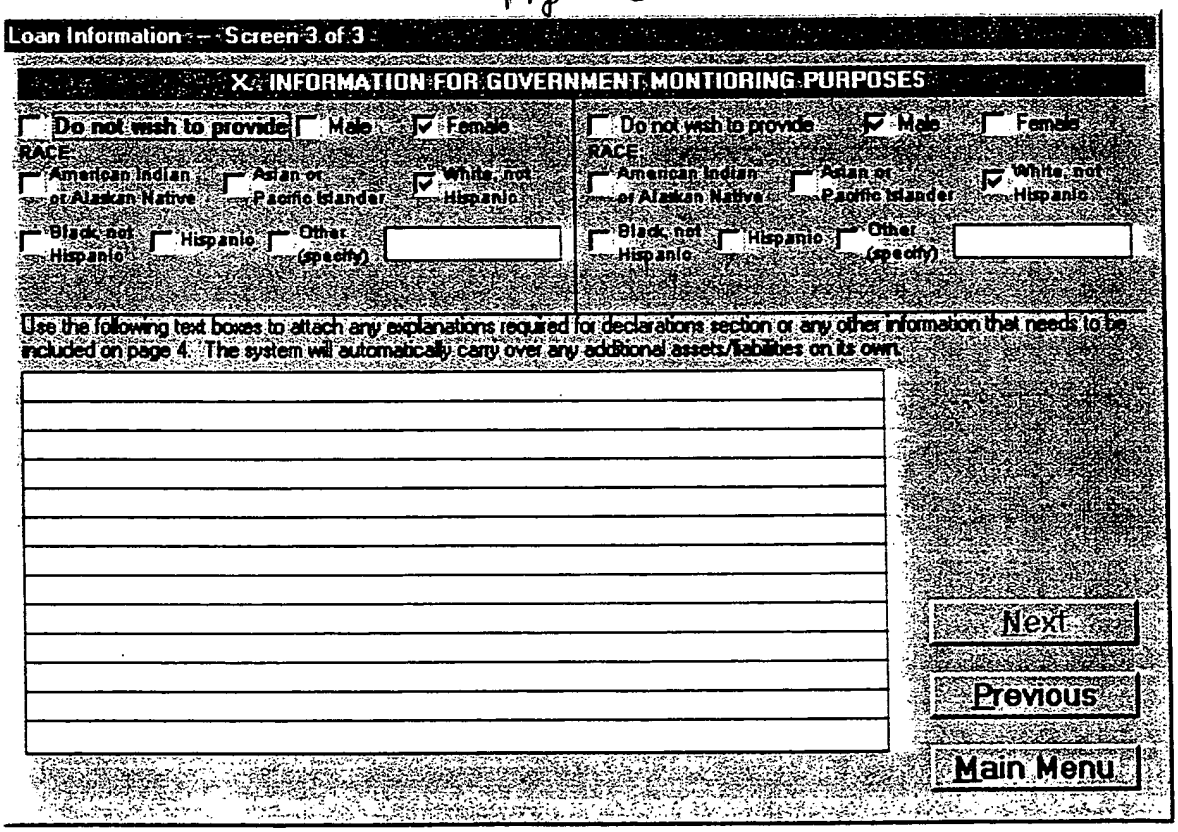
Cypher for CPAs – Loan Information Screen 1 of 3

Fig 5d



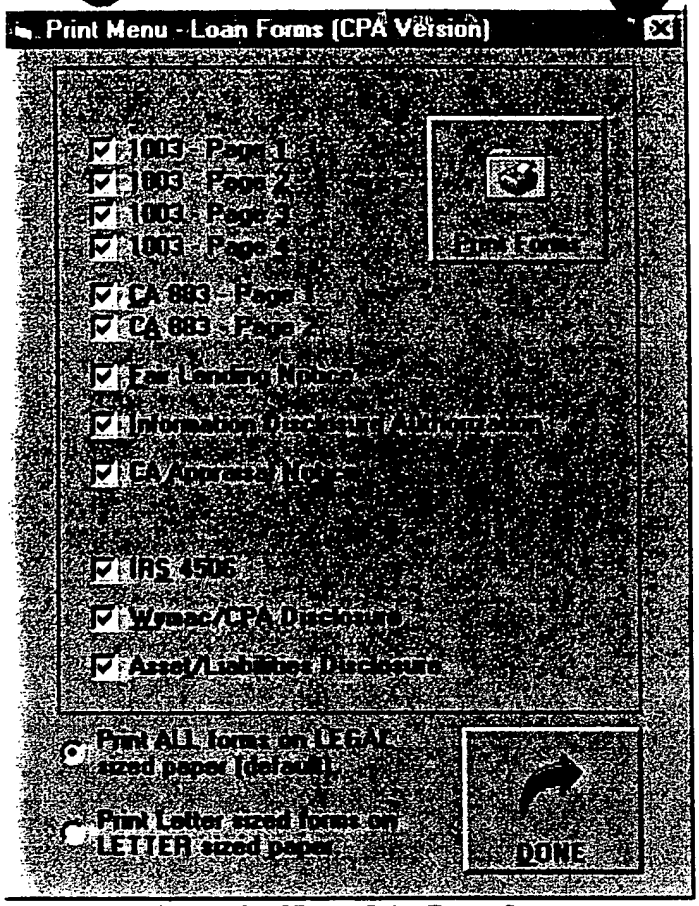
Cypher for CPAs – Loan Information Screen 2 of 3

Fig 5e



Cypher for CPAs – Loan Information Screen 3 of 3

Fig 5f



Cypher for CPAs – Print Forms Screen

Fig 5g

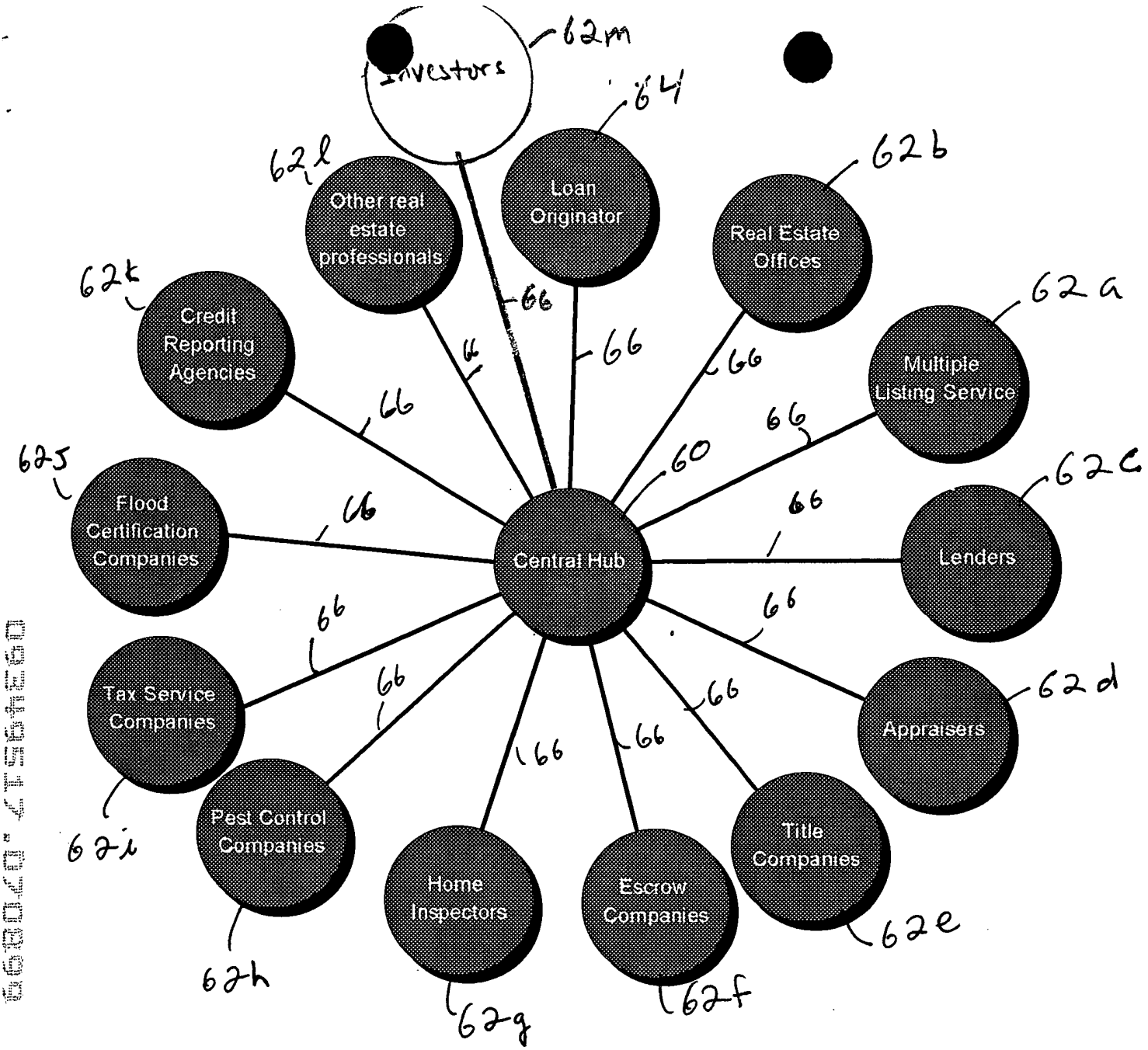

Investors
62m
64
Loan Originator
62l
Other real estate professionals
62b
Real Estate Offices
62k
Credit Reporting Agencies
62a
Multiple Listing Service
625
Flood Certification Companies
60
Central Hub
62c
Lenders
Tax Service Companies
62d
Appraisers
62i
Pest Control Companies
Home Inspectors
Escrow Companies
Title Companies
62e
62h
62g
62f
66

Figure 6

5868270 "1564550

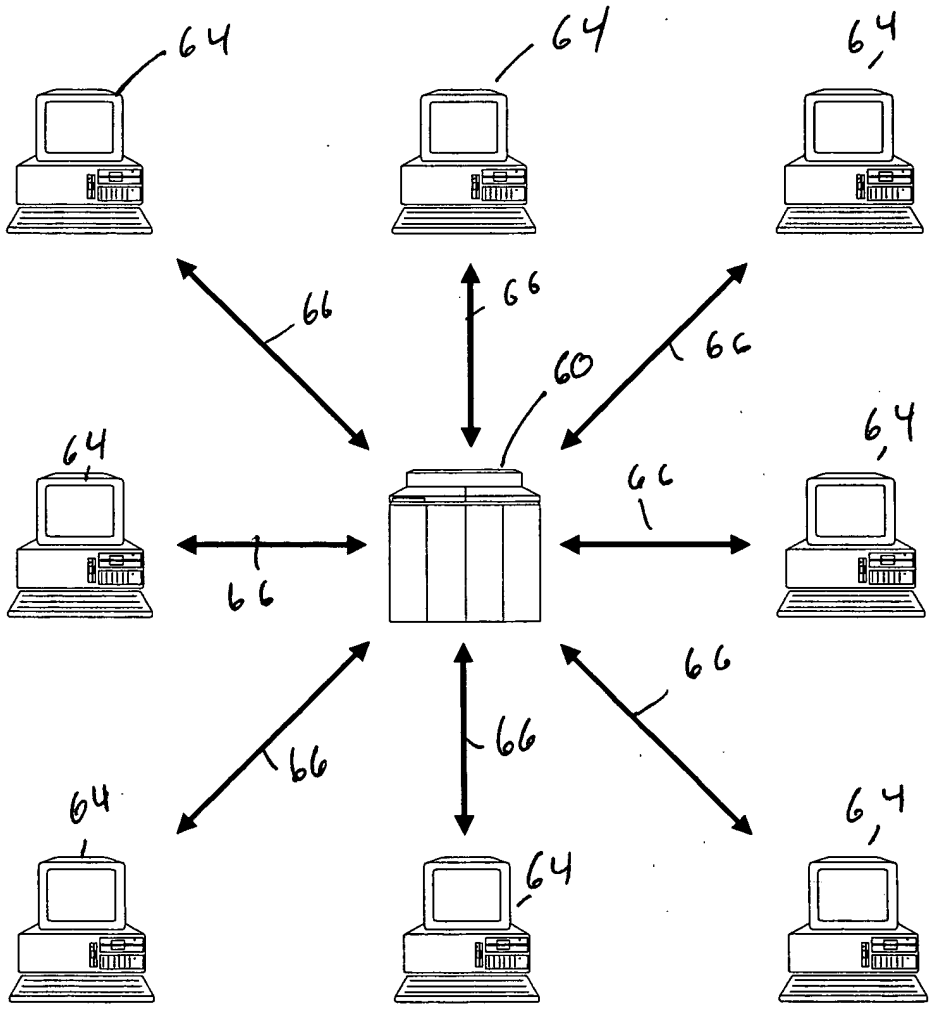


Figure 7

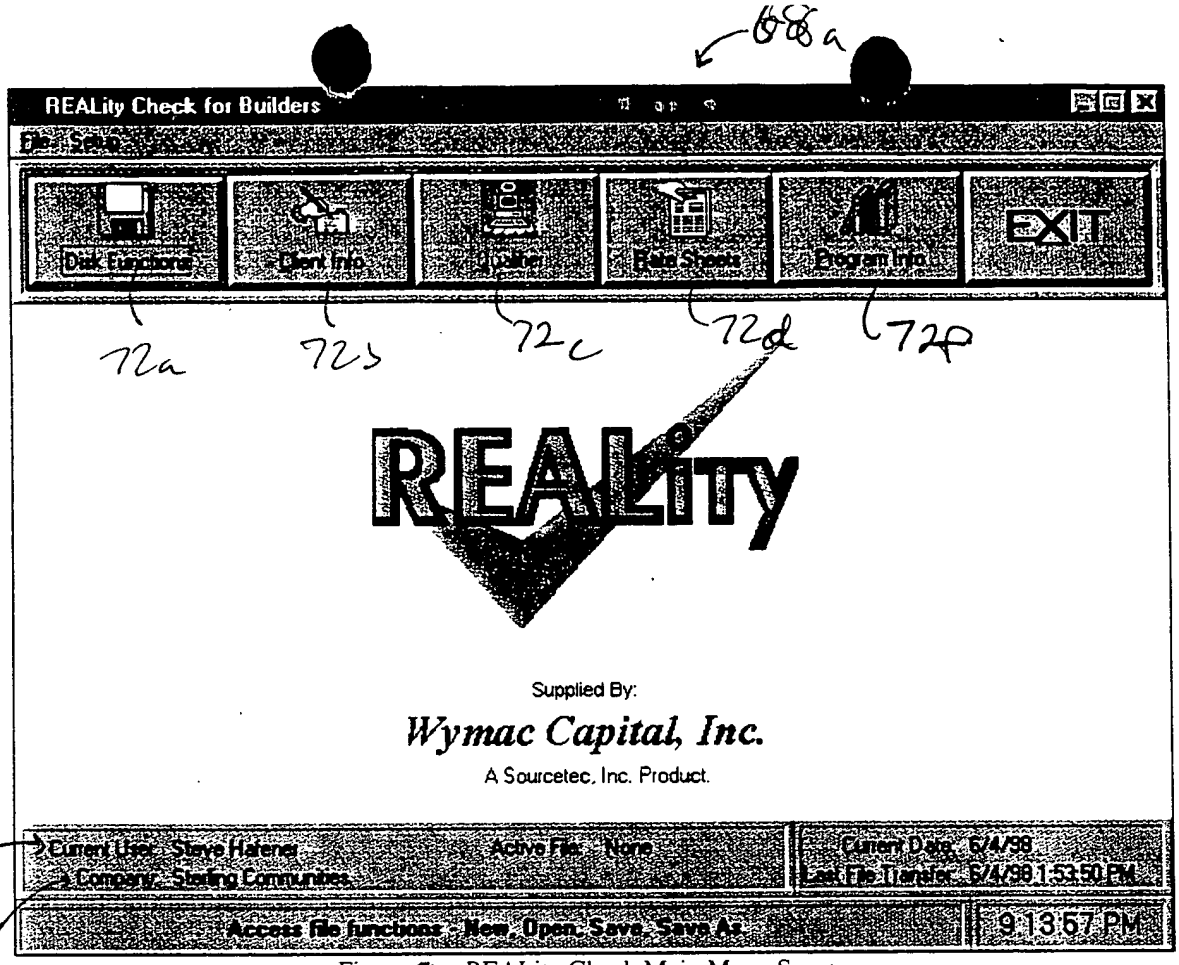


Figure 8a - REALity Check Main Menu Screen

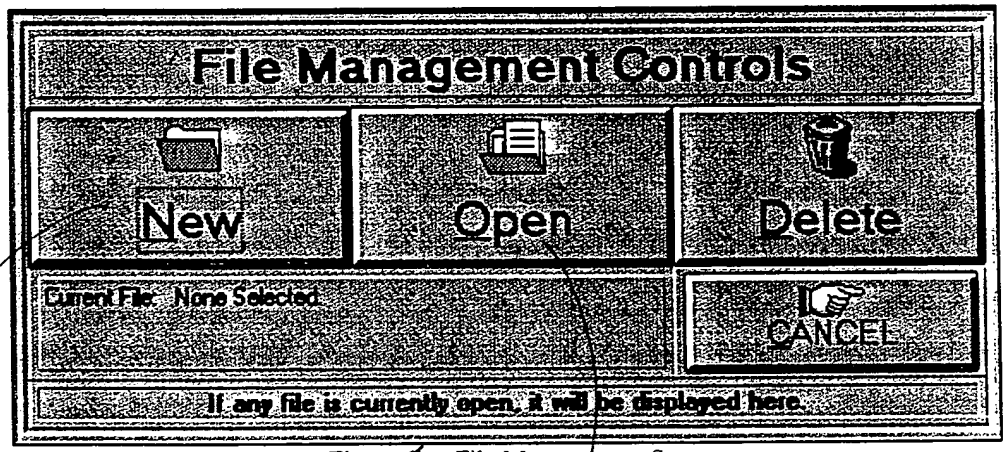


Figure 8b - File Management Screen

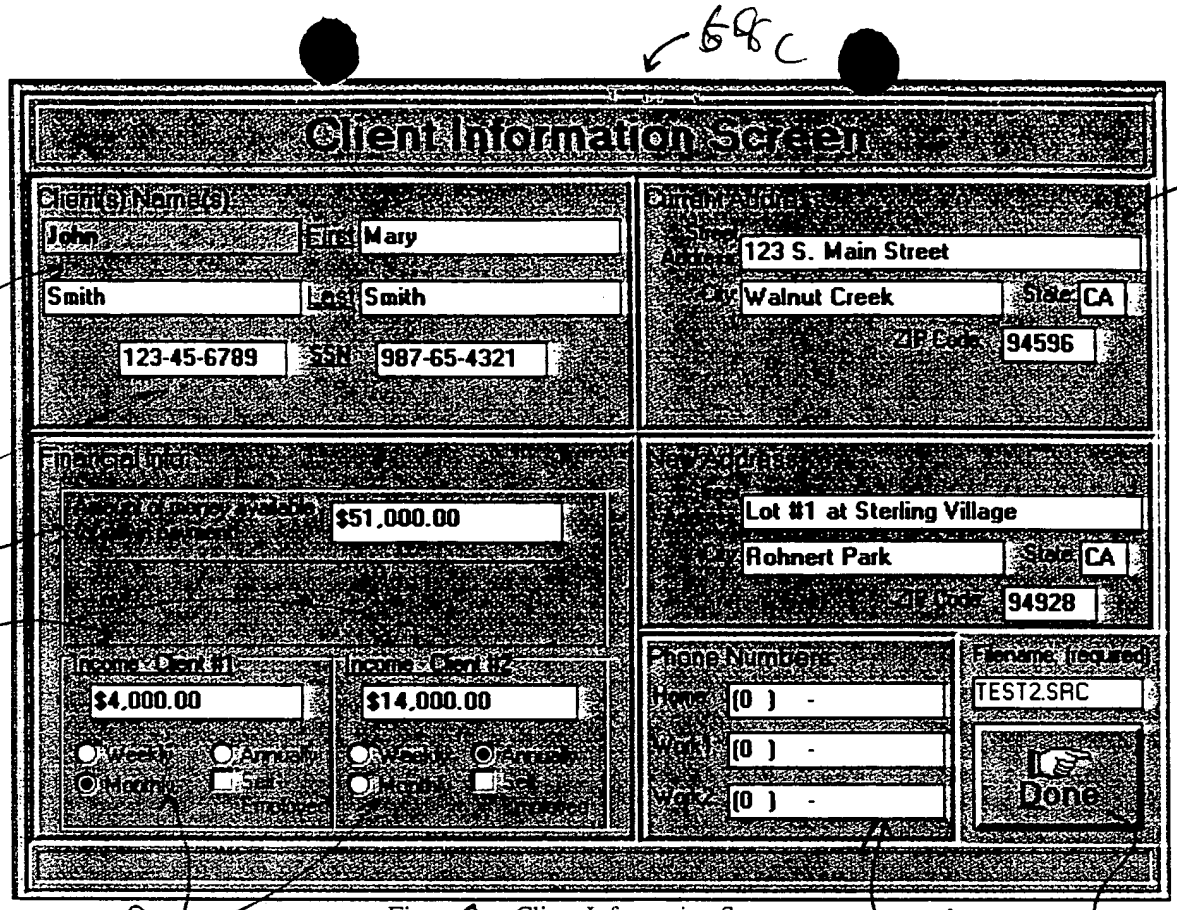


Figure 8c - Client Information Screen

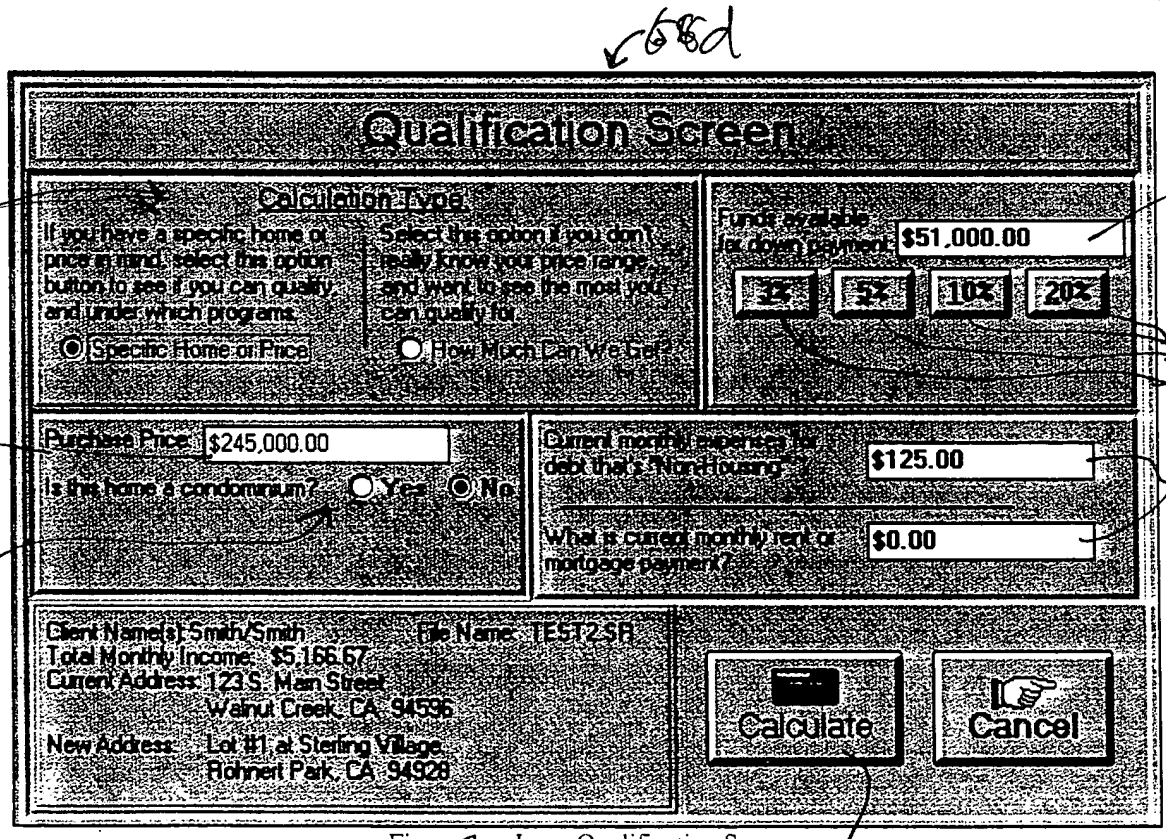


Figure 8d Loan Qualification Screen

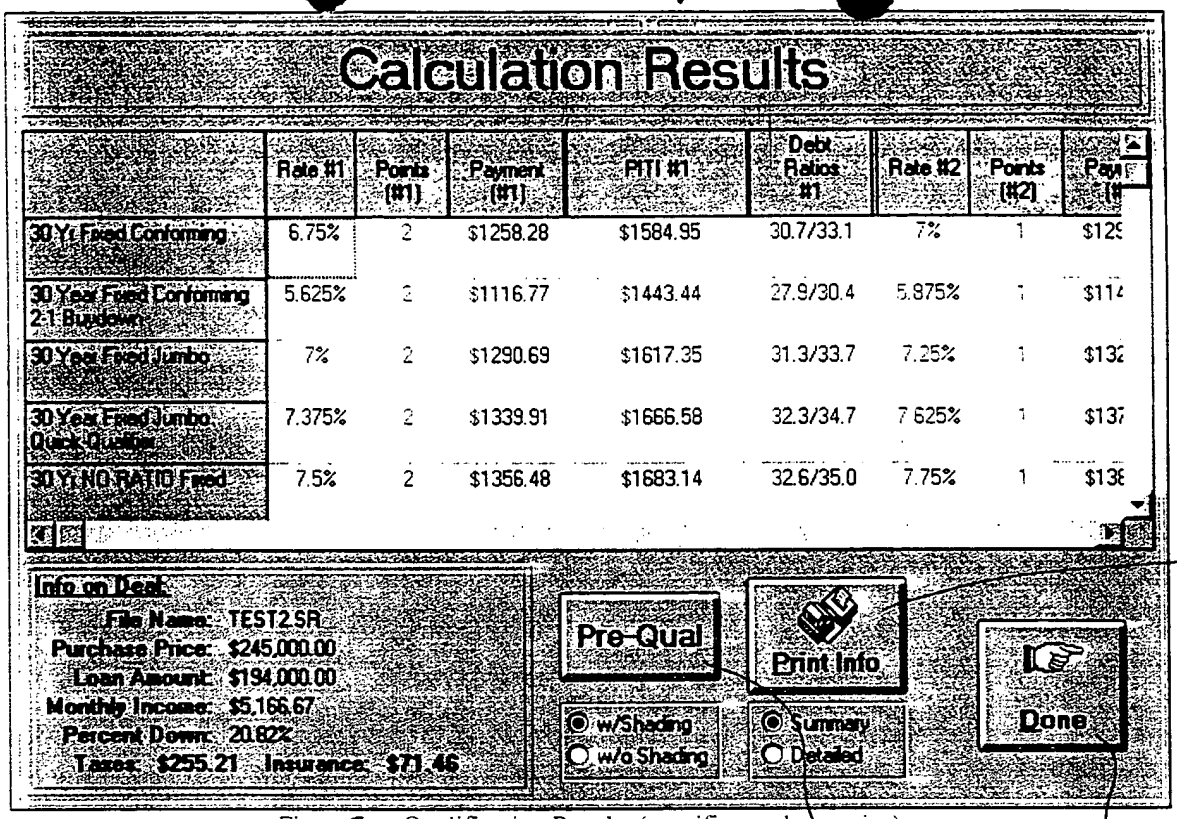


Figure 8e - Qualification Results (specific purchase price)

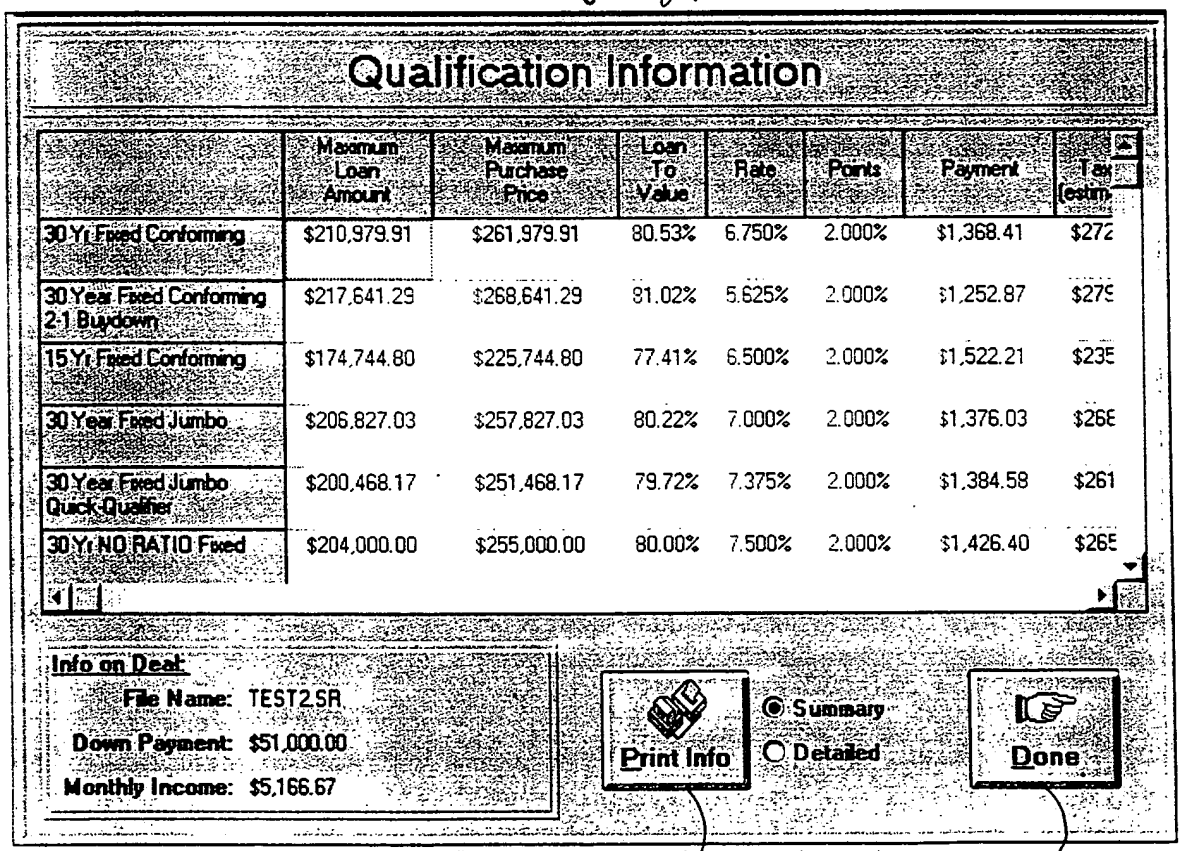


Figure 8f - Qualification Results (maximum purchase price)

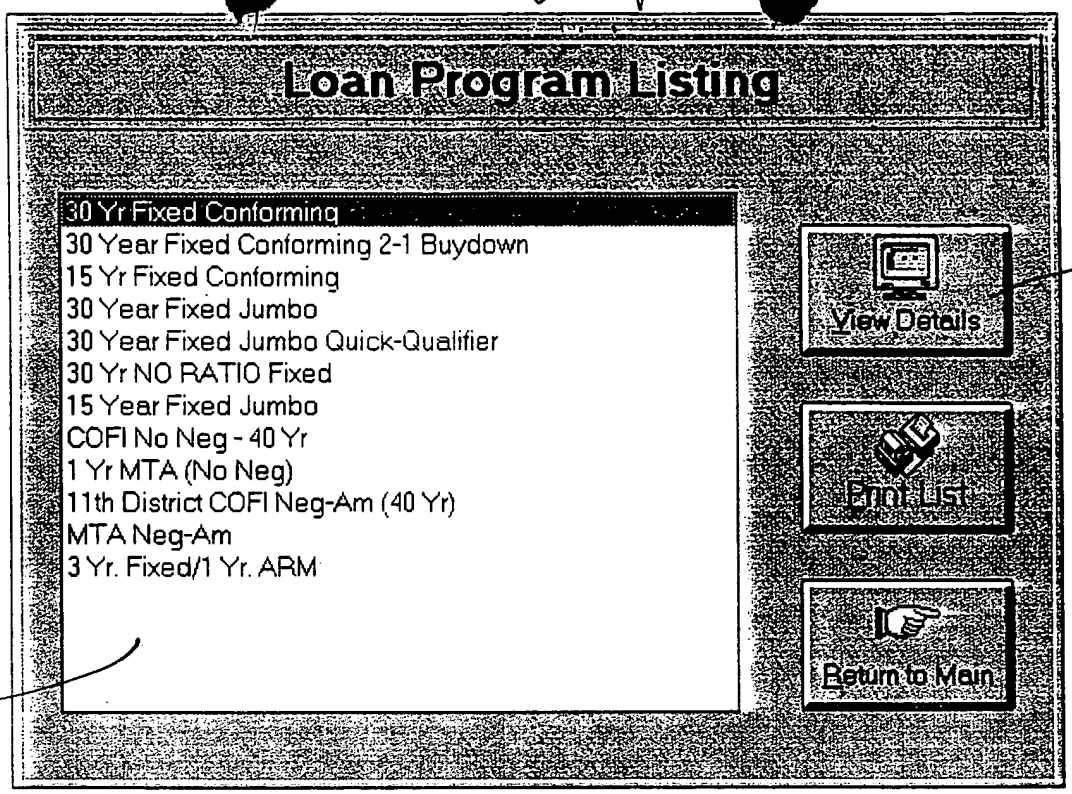


Figure 8g Loan Program Listing

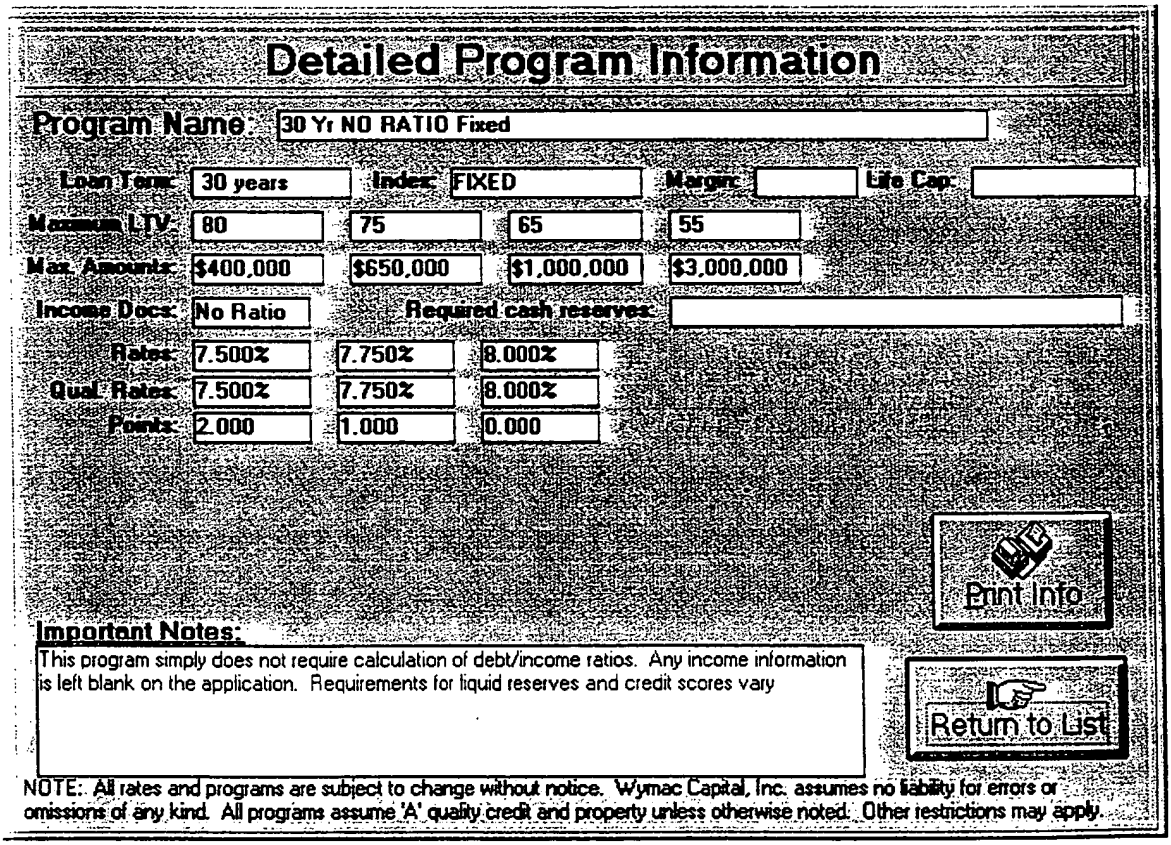


Figure 8h - Loan Program Detail Screen